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REPORT

ON THE

Working of the Scheme of Preferences resulting from the Trade Agreement concluded at Ottawa between the Government of India and His Majesty's Government in the United Kingdom, up to the end of the fiscal year 1933-34

PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI
PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, SIMLA.
1934.

Price : Rs. 2 or 3s. 6d.

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PREFACE.

At the time of the debates in the Legislature on the scheme of Ottawa preferences, then under consideration, the Government of India promised that a Report on the working of the whole scheme of these preferences would be submitted to Committees of the Assembly and of the Council of State. The Report which follows has been compiled in fulfilment of this promise. It relates mainly to the fiscal year 1933-34, but also touches on the periods from 1st January 1933 to 31st March 1933, so far as the preferences granted by India are concerned, and from March 1932 to 31st March 1933 for the preferences granted by the United Kingdom to India by the Import Duties Act of 1932 in the former country. Altogether the Report consists of four chapters and a number of appendices. The first chapter examines the working of the preferences granted on Indian exports when imported into the United Kingdom. Correspondingly the second chapter examines the working of the preferences which India has granted on imports into India from the United Kingdom and certain British Colonies. The effect of the preferences granted by India on the market prices of imported articles which receive preferential treatment is discussed in the third chapter, while the fourth chapter relates to the representations received from Indian industries which are opposed to certain preferences given by India.

In the introductory paragraphs to each of the first three chapters some of the more important factors, which have to be kept in mind in any attempt to isolate the effects of the scheme of preferences on the trade of each country, have been set forth. Further, the limitations to which the conclusions are subject have also been indicated.

The statistical and other materials, on which this Report is based, have been collected and compiled mainly by the Statistical Research Branch of the Department of Commercial Intelligence and Statistics. The statistics of import trade of the United Kingdom for 1933 as well as certain price statistics were very kindly collected and supplied by the Indian Trade Commissioner, London. From these materials an endeavour has been made to draw only such conclusions as appear justified and reasonable on an impartial examination of the facts. It must be understood, however, that the opinions and conclusions contained in the Report are not to be regarded as an expression of the final views of the Government of India on any particular point.

D. B. MEEK,

Director-General of
Commercial Intelligence and Statistics.

Simla, the 27th June 1934.

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CHAPTER I.

Exports from India.

Introductory Note.

From the Indian point of view the most important part of this enquiry is that connected with the exports on which India enjoys preference, as the benefits to India which were expected to follow from the Ottawa Agreement were chiefly concerned with exports. It was hoped that the preferences which India received in the United Kingdom and in some Colonies would increase her total export trade and thus help her production, chiefly agricultural production. The effects, on exports, of the preferences received by India have therefore to be carefully examined in order to see how far these expectations and hopes have been justified.

This examination, however, is not a simple task. The main difficulty obviously is to isolate the effects of preference from the effects due to other factors. Trade from year to year is subject to various economic forces and the action of some of these may very well obscure or even nullify the effects of preference. In the first place, there are the major trade oscillations, booms and depressions, and the effect of such on trade at any particular period. This by itself can easily mask the action of preference and apparently counteract or exaggerate the effects of any preference. For example, the depression in the last four years has acted on trade very adversely and any tendency of the preference to increase our trade may quite well be swamped by action in the opposite direction resulting from the depression. Further, it is not possible to calculate with mathematical exactitude what really is the rate of increase or decrease which a trade cycle brings about in a particular period. In periods of boom and depression all industries do not respond in the same way or to the same extent; some are affected more than the others. In the last four years with the unprecedented depression that the world has gone through, it is difficult to measure the effects of one particular factor, such as a preference, on the trade and production of any commodity. Secondly, there are various other factors which have to be considered as they affect international trade most vitally. The tariff policy of the various countries, resulting especially from the doctrine of national self-sufficiency which has been gaining ground so rapidly, is damming up the channels of international trade and is a factor of great importance at the present time in any investigation of changes. In addition to these tariff changes there are such weighty factors as the large exchange fluctuations and price changes caused by the monetary disturbances in recent years. From October 1931 the exchanges of many countries have been fluctuating violently and affecting world trade in a very serious manner. Fourthly, there are various changes on the side of demand and supply which are of far greater

importance in determining the world trade in any commodity than a relatively small factor such as preference. For example, the most important factor on the supply side in the case of agricultural commodities is a good or a bad crop in one or more of the chief producing countries of the world, and large variations in such a factor would produce changes out of all proportion to those effected by the relatively weak factor of preference. Crops generally fluctuate from year to year and the effects of these fluctuations on the international trade in agricultural commodities are far more important than those of any other single factor. In such circumstances it is difficult to separate completely the effects of crop fluctuations from those of such other factors as preference. The limitations surrounding the examination must be borne in mind in drawing conclusions from the available statistics. This does not mean, however, that no conclusions are possible. If it is known, in particular cases, that the factors other than preference, have been feeble and have been the cause of no great disturbance then it will be fair to assume that the changes, which have ensued during the period of preference, are results which have flowed from the introduction of the scheme of preferences. Throughout this analysis an attempt has been made to indicate, as far as possible, the existence of disturbing factors and the influence which they have had on the final result.

There are certain other limitations also which have to be mentioned before the detailed examination of our export trade is attempted. The statistical data available is far from perfect or complete. The detailed figures of trade, by countries, which are necessary for the examination, are not available immediately after the year is over. Even the United Kingdom accounts which give the figures in the required details, will not be available till the end of the year 1934 and arrangements had to be made to obtain specially from London some of the more important figures for the year 1933 from the records of the Board of Trade. In India also the statistics available are not yet complete. The detailed figures for the whole year 1933-34 are not yet available and only the data available from the existing records of the Department of Commercial Intelligence and Statistics have been utilised. These data have defects at this stage. In India many staple commodities are exported without stating the country of final destination. Thus, consignments are recorded as "for orders". The exporters later on intimate to the various Collectors of Customs the final destination and these consignments "for orders" are then distributed over the various countries according to the advices received. Corrections are received generally as late as August and these will not be available for this Report. Many consignments of rice are credited to the United Kingdom "for orders". A considerable number of these are later on transferred to other countries, and the share of the United Kingdom ultimately is found to be less than the figure given in the monthly accounts at this stage. This defect exists chiefly in the case of rice exports and to a much smaller extent in the case of some of the oilseeds. In the detailed examination that is carried on in later paragraphs this has been clearly pointed out against the articles concerned; but a general caveat may be entered that some of the export figures are subject to some revision later. In most cases it will not affect the general conclusions to any appreciable extent. The import statistics of the United Kingdom at present available are also defective to some extent. The United Kingdom

import returns include under " imports " the amount of transit and re-export trade. In India, on the other hand, the exports are credited to the country of final consignment. As a result, it has happened that imports, as recorded at this stage, into the United Kingdom in a few cases have appeared to be consistently larger than the amount credited to that country in the Indian accounts. Complete figures of transit and re-export trade for 1933 will only be available when the annual accounts of the United Kingdom for 1933 are published at the end of this year. Wherever such transit trade figures exist in large amount the fact has been noted in the detailed paragraphs dealing with the commodity concerned. Lastly, articles called by the same name do not always connote the same thing in the trade returns of the various countries, *e.g.*, apparel in India does not cover the same classes of goods as in Ceylon. These are a few of the important limitations of the statistical data available. There have been a number of other minor difficulties which need not be discussed in detail here.

In the following paragraphs a detailed examination is made in the case of each of the articles of export from India on which she has received preference either in the United Kingdom or in the British Colonies.

WHEAT.

A preference of 2 shillings a quarter (*i.e.*, 480 lbs. or about 6 maunds.) has been granted on imports into the United Kingdom from the Empire countries. As the Indian Delegation observed, however, this preference is one in which the Dominions are much more vitally interested than India can be so long as her exports remain negligible in amount and the present level of world prices for wheat continues. But the Delegation thought that the preference may become of appreciable value to India when the recent irrigation schemes, especially the Sukkur Barrage, bring about a substantial increase in India's wheat acreage. Moreover, there was always the possibility of the chief producing countries agreeing among themselves to some form of restriction of production. With such restriction and with the increase in wheat acreage in India the preference of 2 shillings per quarter might become of real value. The Indian Delegation therefore attached importance to the possible future value of this preference. At present, however, the preference is of little value to India owing to her special wheat position. In the first place, with a normal crop, India, at present prices, can probably just meet her consumption demand. Secondly, as a result of the Wheat Import Duty and the absence of any large exportable surplus, wheat prices in India have been much above world parity. Lastly, to return to the present, the supply position in the year 1933 precluded any possibility of a considerable demand from the importing countries including the United Kingdom. The 1933 crop in some of the exporting countries, chiefly North America, was doubtless a poor one, but the importing countries, including the United Kingdom, had reaped the best crops attained in the post-war period. Consequently, the demand from these countries was less strong. Joined to the heavy accumulated stocks from the preceding years and the policy of national self-sufficiency followed by most European countries these bumper crops in th importing countries meant a

fairly weak demand in the world in general. Good maize, rye and potato crops in Europe weakened the markets still further. As a result of all these factors there was a smaller demand in the importing countries and consequently world prices remained low and India continued entirely out of parity with, of course, no exports of any significance. In conclusion, this preference is of no value to India at present and in the very near future its value is extremely problematic.

Preference on wheat imports from India has been granted in the United Kingdom and Ceylon.

The following table gives the exports of wheat from India during the last three years :—

Exports of wheat.

	Margin of preference.	Unit of quantity.	Quantity.			Value.		
			1931-32	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
						Rs.	Rs.	Rs.
United Kingdom	2s. per qtr. of 480 lbs.	Tons.	16,775	..	..	10,07,890	11	17
Ceylon ..	50 c. per cwt.	,,	145	166	229	20,199	20,004	26,734
Total of trade with countries—								
Granting preference ..			16,920	(7·6%) 166	(11·1%) 229	10,28,089	20,015	26,751
Not granting preference ..			3,295	(92·4%) 2,028	(88·9%) 1,831	4,84,371	3,62,250	3,00,213
GRAND TOTAL ..		,,	20,215	(100%) 2,194	(100%) 2,060	15,12,460	3,82,265	3,26,964

N.B.—Figures, in brackets, represent percentages of total.

The total exports from India in 1933-34 amounted to 2 thousand tons, almost the same as in the preceding year. In 1931-32, the exports were 20 thousand tons. The exports have been quite negligible in recent years and have almost reached the vanishing point in the last two years. There were no exports to the United Kingdom either in 1933-34 or in the previous year. Exports to the United Kingdom in 1931-32 amounted to nearly 17 thousand tons. Exports to Ceylon were quite negligible amounting to 229 tons in 1933-34 as against 166 and 145 tons in the preceding years. Thus, exports from India were of no importance in the last two years and the preference has not had any significance.

The following table gives the market quotations for wheat in the United Kingdom and India :

Market quotations for Wheat.

	United Kingdom. London. N. Manitoba, No. 2 (Ex. Ship). Per 480 lbs.		India. Karachi. Karachi White 2% barley, 1½% dirt. Rupee price reduced to sterling per 480 lbs.		Parities. Percentage of Karachi White on N. Manitoba.
	s.	d.	s.	d.	
1932.					
January	30	0	28	7¾	95·5
February	29	9	28	5½	95·7
March	32	10¾	25	10	78·5
April	29	3¼	22	8	77·4
May	28	6½	22	6¼	78·9
June	28	6½	24	4¾	85·5
July	25	2	27	7	109·6
August	26	10¼	30	7½	114·0
September	28	9½	31	7½	109·8
October	27	1¼	32	9	120·8
November	26	1½	30	4	116·1
December	26	1½	31	0	118·7
1933.					
January	25	4¾	33	2½	130·8
February	24	8¼	33	1¾	134·3
March	23	11½	33	6¼	139·9
April	24	8¼	32	3½	130·8
May	26	10¼	26	11¼	100·3
June	27	9¾	28	7	102·8
July	30	5¾	28	8¾	94·3
August	32	10¾	27	9	84·4
September	28	6½	25	6¾	89·6
October	24	8¼	25	6	103·3
November	24	11	24	9½	99·5
December	24	5¼	24	10½	101·8
1934.					
January	24	5¼	23	10¼	97·6
February	26	4½	23	9¾	90·3
March	25	10¾	23	11½	92·5

The parity figures clearly show why no exports of Indian wheat were practicable. The price of wheat in Karachi was for many months considerably higher than the price of Manitoba in London. With such a price position no

exports could be possible. It may be interesting to note that the parity in 1930-31, when there were considerable exports from India to England amounting to 175 thousand tons, was round about 80 per cent. The parity in the last two years has been considerably higher than this.

RICE.

Preference to the extent of 1 penny a pound has been granted to cleaned rice imports into the United Kingdom. The Indian Delegation observed that the Unite' Kingdom took about one-third of its requirements from India and Burma and two-thirds from foreign sources. There was no reason why India and Burma should not meet the whole demand especially under the stimulus of a substantial preference. The price of Indian rice was competitive, but the sales to the United Kingdom were affected adversely by the superior packing and polish of the competing Spanish and American produce. The Delegation, however, remarked that with enhanced preference, rice from India and Burma should be able to displace foreign rice.

The rice exports from British India are chiefly from Burma. India proper is, on balance, a rice importing country. The statistical position of Burma rice was fair during 1933-34. While the crop and the exportable surplus in Burma were greater in 1932-33 than in the previous year, on the other hand, the crop in India was much lower than in each of the previous two years. As a result, India imported a much larger quantity of Burma rice during 1933-34; the figure being 1,628 thousand tons as compared with 936 thousand tons in the previous year. Further, Indo-China in spite of her considerable exportable surplus was more concerned with the French market which, for Indo-China, was sheltered against foreign competition. The demand position for rice, however, in the world in general was deteriorating owing to the growing tendency of eastern markets to become self-sufficient. For example, the Netherlands East Indies restricted the imports of rice in order to encourage her own production. Federated Malaya also imposed a tax on rice imports for the same purpose. Even China wanted to discourage the imports of rice by a tax. Moreover, Japan had already changed over from the status of a rice importing country to that of a rice exporting country. Naturally, the gradual drying up of these export channels to the East of necessity led to greater dependence on Western markets. But even in this direction the larger wheat crops brought into being restriction of imports of foodstuffs as an indispensable measure of protection of national agriculture. The German Maize Monopoly led to a restriction of whole rice imports, except from Italy. As far as the latter country was concerned, a quota far in excess of her normal exports to Germany was fixed, and this in consequence adversely affected the imports of Indian rice into Germany. Further, France, which has long been keen on developing her colonial resources, aimed at becoming independent of Burma and Siam for her rice supplies. The net result of all this was the falling off in Burma rice exports to non-Empire countries. In consequence, it has been necessary to pay greater attention to the United Kingdom as a market for Indian rice.

In so far as the United Kingdom was concerned, as the tables below will indicate, the exports of Indian rice show an increase, but this increase has not been sufficiently large to balance the loss of markets elsewhere due to the

above causes and the position of the rice trade, therefore, was by no means fully satisfactory. The factors militating against a greater increase of imports into the United Kingdom may be briefly explained. The most important factor is the present inability of India and Burma to provide, in a sufficiently increasing measure, the quality of rice required by the consumers in the United Kingdom. The point has to be clearly noted that even the most expensive rice is relatively a very cheap article when compared with other foods. In consequence the price element does not wholly determine the purchases of the consumer. It is the flavour and the easier cooking properties, as well as the finish and polish that determine the choice of variety of rice by the consumer in the United Kingdom. As Burma rice is inferior to foreign rices in some of these respects, its consumption suffers.

Lastly, it has not been possible correctly to gauge the increase in the United Kingdom demand because some countries such as Cuba and the West Indies which were supplied through the United Kingdom in earlier years have lately been importing direct from Burma and India. This development renders the comparison from present and past figures apparently less favourable than the actual position warrants. All these factors explain, to some extent, why imports of rice from India into the United Kingdom do not show a greater increase than has been attained.

The following table gives the exports of rice (not in the husk) from India :—

Exports of rice not in the husk (excepting broken cleaned rice).

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	1932-33.	1933-34.	Value Rs. (000). 1931-32.	1932-33.	1933-34
United Kingdom	1*d*. per lb. ..	Ton (000)	29·6	41·5	89·7†	27,43	33,59	51,98
Somaliland Protectorate.	4 as. per bag of 168 lbs. (excepting Dawood Khani, Bhimri and Shalulleh).	,,	1·7	2·8	3·4	1,85	2,71	2,08
Fiji	20 *s*. per ton ..	..	·1	·02	·02	4	2	3
Br. West India Islands	9*d*. per 100 lb.*	..	19·1	14 4	20·8	16,10	11,53	13,11
Total of trade with countries— Granting preference.	..	..	50·5	58·72	113·92†	45,39	47,85	67,20
			(2·3%)	(3·4%)	(6·9%)	(2·7%)	(3·7%)	(6 6%)
Not granting preference ..	..	..	2,164·5	1,690·68	1,534·98	16,94,62	13,26,51	9,52,51
			(97·7%)	(96·6%)	(93 1%)	(97·3%)	(96·3%)	(93 4%)
Grand Total ..	.	..	2,215·0	1,749 4	1,648·9	17,40,01	13,74,36	10,19,71
			(100%)	(100%)	(100%)	(100%)	(100%)	(100%)

N.B.—Figures in brackets represent percentages of total.

† This figure is provisional as there will probably be some further corrections due to consignments to the United Kingdom "for orders" being re-distributed on later advices.

* Rate refers to Jamaica.

Preference has been granted in the United Kingdom and some of the British colonies. The total exports of rice (excluding broken cleaned rice) to all countries during 1933-34 amounted to 1,649 thousand tons as compared

with 1,749 thousand tons in the preceding year, thus recording a decline of 100 thousand tons. Exports to the United Kingdom in 1933-34 were nearly 90 thousand tons as compared with 41 thousand tons in the preceding year and 30 thousand tons in 1931-32. It must be remembered, however, that in the case of rice there are a considerable number of consignments "for orders" which are credited to the United Kingdom in the first instance but are later transferred to other countries.

The following table gives the imports of cleaned rice, whole, into the United Kingdom:—

Imports of cleaned rice, whole, into the United Kingdom.

Cwts. (000)

	Total.	India.	Empire Countries.	Foreign Countries.
1931..	1,441	453	461	980
1932..	1,592	527	532	1,060
1933..	1,037	644	722	315

N.B.—Figures of imports into the United Kingdom from India are not comparable with those of exports from India to the United Kingdom as recorded in the Indian trade returns. This is possibly due to a difference in classification.

Imports of rice during 1933 amounted to 1,037 thousand cwts. as compared with 1,592 thousand cwts. in the preceding year and 1,441 thousand cwts. in 1931. Thus, the exports were on a much lower level than in the preceding two years. The share of India in 1932 was 527 thousand cwts. or 33 per cent. of the total imports. In 1933 the share rose to 644 thousand cwts., the percentage share nearly doubling itself to 62 per cent. Thus, it will be seen that both the absolute imports from India and the relative share of India in the United Kingdom market showed increases. The important point is that actual imports from India were large in spite of the reduced total consumption, a satisfactory position proving the value of the preference. India captured a large portion of the United Kingdom market from her competitors. The total imports from foreign countries were 1,060 thousand cwts. in 1932. In 1933, they had receded to 315 thousand cwts. only, *i.e.*, less than one-third. The advantage to India would probably have been even greater but for some forestalling which took place. The duty on foreign rice was mooted from the signing of the Ottawa Agreement, but the duty of 1 penny per lb. on foreign rice was actually put into operation from the beginning of 1933. As a result of the expectation of a duty, foreign rice was consigned in fairly large quantities to the United Kingdom in the autumn and winter of 1932. This action inflated the 1932 figure of imports and stocks of foreign rice at the beginning of 1933 were very considerable in the United Kingdom and her total takings had to be reduced in 1933. Consequently the 1933 figure of imports was much less than the normal. But for this fact the beneficial effect of the preference would have been even greater in the year 1933.

The *following table gives the market quotations for rice* in India and the United Kingdom :—

Market Quotations for Rice.

	India. Rangoon.	United Kingdom. London.	
	(No. 2 Burma.)	(Saigon No. 1.)	(Burma No. 2.)
	Per 7,500 lbs.	Per cwt.	Per cwt.
	Rs. A. P.	*s. d.*	*s. d.*
1932.	(*a*)	(*b*)	(*b*)
January	265 0 0	9 10½ (114)	8 7½ (100)
February	295 0 0	9 4½ (109)	8 7½ (100)
March	320 0 0	9 9 (100)	9 9½ (100)
April	310 0 0	8 7½ (93)	9 3 (100)
May	282 8 0	8 10½ (97)	9 1½ (100)
June	270 0 0	8 7½ (103)	8 4½ (100)
July	270 0 0	8 1½ (103)	7 10½ (100)
August	265 0 0	8 3 (105)	7 10½ (100)
September	250 0 0	8 0 (96)	8 4 (100)
October	240 0 0	7 10½ (102)	7 9 (100)
November	227 8 0	7 6 (101)	7 5 (100)
December	217 8 0	7 4½ (104)	7 1½ (100)
1933.			
January	205 0 0	7 (102)	7 1½ (100)
February	200 0 0	7 3 (104)	7 0 (100)
March	177 8 0	6 9 (101)	6 8¼ (100)
April	192 8 0	6 3 (102)	6 1¼ (100)
May	197 8 0	6 7½ (104)	6 4¼ (100)

(*a*) End of month. (*b*) Beginning of month.

Market Quotations for Rice—contd.

	India.	United Kingdom.	
	Rangoon.	London.	
	(No. 2 Burma.)	(Saigon No. 1.)	(Burma No. 2.)
	Per 7,500 lbs.	Per cwt.	Per cwt.
	Rs. A. P.	*s.* *d.*	*s.* *d.*
	(*a*)	(*b*)	(*b*)
June	200 0 0	7 1½ (108)	6 7½ (100)
July	197 8 0	7 9 (111)	7 0 (100)
August	192 8 0	7 7½ (111)	6 10½ (100)
September	180 0 0	7 1½ (112)	6 5¼ (100)
October	192 8 0	7 0 (112)	6 3 (100)
November	230 0 0	6 0 (92)	6 6 (100)
December	177 8 0	5 10½ (93)	6 3¾ (100)
1934.			
January	172 8 0	5 9 (97)	5 11¼ (100)
February	not quoted	5 9 (99)	5 9¾ (100)
March	157 8 0	5 9 (99)	5 9¾ (100)

(*a*) End of month. (*b*) Beginning of month.

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices of rice in India declined considerably in 1933 as compared with the preceding year. The price at Rangoon of No. 2 Burma per 7,500 lbs. rose from Rs. 265 in January 1932 to Rs. 320 in March. Since then prices declined and by November the quotation had dropped to Rs. 227½. Quotations opened in February 1933 with Rs. 200. The figure dropped to Rs. 177-8-0 next month but rose to Rs. 200 by June. A decline set in, however, after that and by September the price had fallen to Rs. 180. Prices spurted up in the next two months, the quotation in November being Rs. 230 but the downward march again continued after that month. It can be clearly seen that prices in 1933 were on a considerably lower level than in the preceding year. Prices in the United Kingdom followed almost a similar course. The United Kingdom price was the highest in March 1932 when Burma rice was quoted at 9*s.* 9½*d.* per cwt. By the end of 1932 the quotation had fallen to 7*s* 1½*d.* and by December 1933 it had further receded to 6*s.* 3¾*d.* As far as parity was concerned it appears that Burma rice was in a more favourable sale position in 1933 than in 1932, the price being lower in 1933. This would explain, to some extent, the larger imports of Burma rice into the United Kingdom.

The following table gives the production of rice in India excluding Burma, Burma, Indo-China, Siam and Korea:—

Production of Rice.

(In million tons.)

	India				
	Excluding Burma.	Burma.	Indo-China.	Siam.	Korea.
1928-29	27·25	4·89	5·64	3·84	2·40
1929-30	26·14	4·99	5·83	3·84	2·43
1930-31	27·06	5·14	5·87	4·79	3·41
1931-32	28·80	4·20	5·51	4·04	2·82
1932-33	26·18	4·91	5·71	5·08	2·91
1933-34	25·17	5·18	..	4·97	3·23

The crop of 1932-33 which is chiefly marketed in the year 1933-34 was larger in all countries except India proper (*i.e.*, excluding Burma). Burma's position therefore would have been very adversely affected had it not been for the fact that the deficit crop in India considerably increased the demand from that market for Burma rice. As a result the coastwise exports of rice not in the husk from Burma into India increased in 1933-34 to 1·6 million tons as compared with 0·9 million tons in 1932-33. The crop position for the year 1933-34 which will affect the trade of 1934-35 is more favourable still as far as Burma is concerned. The crop in Siam is on a slightly lower level than in the preceding year and the crop in India excluding Burma is even lower than the short crop of 1932-33. As a result demand for Burma rice from India will be of considerable magnitude during the year. There has been such an over-supply of rice in the world, however, that it will hardly be reasonable to expect any increase in acreage under rice in Burma as a result of the preference. Preference, as has been remarked above, affects only one main market for Burma rice, *viz.*, the United Kingdom and her few Colonies which between them account for a very small proportion of the total trade of Burma. The preference on this item therefore cannot be expected to affect the Indian or Burma production appreciably.

VEGETABLE OILS.

This is a comprehensive group consisting of the following articles, *viz.*, castor oil, coconut oil, linseed oil, rape oil, groundnut oil and sesamum oil. The two more important of these to India are castor oil and groundnut oil; the others are of minor significance from the point of view of Indian exports. The Indian Delegation to Ottawa held the view that the preference on this group of articles was of considerable value. In their opinion, India has an expanding oil industry with great potentialities and an existing export trade of considerable volume. They observed, however, that most of the Indian exports are absorbed by Eastern markets, and that while the United Kingdom is already an important purchaser of vegetable oils from India she also buys

from the Continent of Europe vegetable oils which India could well supply and indeed already exports in some quantity. Since Indian products are at a certain disadvantage (due to expensive packing and high sea freight) an increased preference was a matter of importance.

The majority of the Special Committee appointed by the Legislative Assembly considered that the preference in the case of groundnut oil, linseed oil, castor oil and rape oil was of special importance in view of India's capacity to enlarge her production and the extent of the market available in the United Kingdom. In their opinion the preference would lead to a definite expansion of the total volume of Indian trade, since the market for these commodities which might be captured by India in the United Kingdom alone is greater than the total volume of Indian exports of the same products to all countries.

The following table gives the exports of non-essential vegetable oils from India to the United Kingdom, British Colonies and to other countries :—

Exports of oils.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value (Rs. 000). 1931-32.	Value (Rs. 000). 1932-33.	Value (Rs. 000). 1933-34.
U. K.	Linseed— £3—10s. per ton ..	Gals. (000)	..	..	..	..	..	..
	Others 15% *ad val.*	..	1,026	1,494	1,669	23,96	28,40	29,01
Fiji ..	Mustard and linseed oil 6d. per gal.	,,	40	63	51	85	100	60
	Others 15% ..	..	1	1	1	1	3	1
Br. W. India Islands	Edible* 4*d.* per gal. ..	,,	5	4	6	10	6	8
	Other kinds 1½*d.* ..	..	..	..	..	..	..	..
Federated Malay States.	Kachang and Groundnut 3 cents per lb.	,,	..	..	32	..	..	39
	Gingelly 2 cents per lb. ..	..	..	..	..	..	..	..
Mauritius.	All except Mustard Gingelly and Custard. Rs. 3-50c per kilo.	,,	44	54	36	93	102	67
Total of trade with countries—								
Granting preference ..		,,	1,116 (59%)	1,616 (66%)	1,795 (62%)	25,85	30,51	30,76
Not granting preference		,,	784 (41%)	828 (34%)	1,120 (38%)	4,59	7,76	7,06
GRAND TOTAL ..		,,	1,900	2,444	2,915	30,44	38,27	37,82

* The rate of duty relates to Jamaica.

N.B.—Figures, in bracket, represent percentages of total.

The total exports of all vegetable oils from India amounted to 2,915 thousand gallons in 1933-34. In the previous year the figure was 2,444 thousand gallons and in 1931-32 1,900 thousand gallons. Thus, total exports have been increasing in the last three years, the increase being of considerable magnitude. Of the total trade a much larger proportion went to countries granting preference, chiefly the United Kingdom. The total exports to countries granting preference were 1,795 thousand gallons in 1933-34 as compared with 1,616 thousand gallons in 1932-33 and 1,116 thousand gallons in 1931-32. It may be noted that the preferences were granted in the united kingdom in March 1932, first to the extent of 10% *ad valorem* and subsequently increased on 1st January 1933 to 15% generally and from the 1st May 1933 to £3-10-0 per ton specially for linseed oil. As will be shown later, exports of groundnut oil in the first three months of 1933, which were included in the 1932-33 figures were on a very large scale amounting to 362 thousand gallons. If therefore the figures of 1931, 1932 and 1933 (calendar years) are compared the result will be more interesting. The exports of all non-essential vegetable oils to the United Kingdom in 1931 amounted to 0·8 million gallons; they rose to 1·2 million gallons in the next year and in 1933 to 1·7 million gallons. On the other hand, for the same period, exports to other countries amounted to 0·8 million gallons in 1931, 1 million gallons in 1932 and 1·5 million gallons in 1933. From these figures it can be seen that both the total trade as well as trade with the United Kingdom has shown substantial increases in the last two years since preference came into operation.

A detailed examination of the items under this head is given below.

CASTOR OIL.

The following table gives the exports of castor oil from India :—

Exports of Castor oil.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32. R(000).	Value. 1932-33. R(000).	Value. 1933-34. R(000).
U. K. ..	15% *ad. val.*	Gals. (000)	685	767	753	10,94	12,17	10,17
Br. W. I. Islands	1½*d.* per gal.	„	..	..	..	..	..	..
Total of trade with countries—								
Granting preference.	..	„	685	767 (68%)	753 (56%)	10,94	12,17	10,17
Not granting preference.	..	„	297	358 (32%)	582 (44%)	416	518	8,06
Grand Total	..	„	982	1,125 (100%)	1,335 (100%)	15,10	17,35	18,23

N. B.—Figures, in brackets, represent percentages of total.

The total exports of castor oil during 1933-34 amounted to 1,335 thousand gallons as compared with 1,125 thousand gallons in the previous year and 982

thousand gallons in 1931-32. Thus, the trade has shown considerable expansion in the last three years. India has been granted preference as regards castor oil by the United Kingdom as well as by the British West India Islands. The share of the latter in the total trade is insignificant and need not be considered separately. The exports to the United Kingdom in 1933-34 amounted to 753 thousand gallons as compared with 767 thousand gallons in 1932-33 and 685 thousand gallons in 1931-32. Thus, exports seem to have declined slightly in 1933-34 as compared with the preceding year; but the exports of 1932-33 had increased largely over those of 1931-32 and the first preference of 10% came into force in March 1932. If the figures of 1931, 1932 and 1933 however are compared it will be found that there has been a consistent increase in the trade since the preference came into being. The exports in 1931 amounted to 520 thousand gallons; they rose to 806 thousand gallons in 1932 and by 1933 they advanced further to 815 thousand gallons. Exports to countries not granting preference have increased much more than those of the United Kingdom. The total exports to these countries amounted to 582 thousand gallons in 1933-34 as compared with 358 thousand gallons in 1932-33 and 297 thousand gallons in 1931-32. There appears to have been a greater general demand for Indian castor oil in the world markets during 1932-33 and 1933-34 than in 1931-32.

The following table gives the imports of castor oil (unrefined) into the United Kingdom from various sources:—

Imports of Unrefined Castor oil into the United Kingdom.

	Total.	India.	Empire Countries.	Tons (000). Foreign Countries.
1929	3·7	1·6	1·6	2·1
1930	2·9	1·4	1·4	1·5
1931	3·3	2·1 (63·6%)	2·1 (63·6%)	1·2
1932	5·2	3·7 (71·2%)	3·7 (71·2%)	1·5
1933	3·6	3·1 (86·1%)	3·2 (88·9%)	0·4

N. B.—Figures in brackets represent precentages of total.

The total imports of castor oil in the United Kingdom fell from 5·2 thousand tons in 1932 to 3·6 thousand tons in 1933; the figure in 1931 was 3·3 thousand tons. In 1931 India's share (in the United Kingdom market) was 2·1 thousand tons or 64%. In 1932 her share had risen to 3·7 thousand tons or 71 per cent., while in 1933 India supplied 3·1 thousand tons or more than 86 per cent. of the total requirements of the United Kingdom; the other countries contributed only less than 14 per cent. This brings out the fact quite clearly that India has gained considerable advantage in the United Kingdom market as a result of the preference. Though in 1933 her actual imports have gone down to some extent as a result of the smaller demand of the United Kingdom yet her share of the total imports has expanded considerably and to a large extent she has ousted other suppliers from this market. Nor have her exports to other markets suffered. In fact these have increased largely in the last two years. The conclusion in this case that the preference has been beneficial to India is definitely justified.

The following table gives the market quotations for caster oil in Calcutta and London and Hull :—

Market Quotations for Castor Oil.

	India. Calcutta. No. 1 Fine Pale. Per Md. (f.o.b.).	United Kingdom. London. Madras. Cwt.(drums).	United Kingdom. London. Firsts per. cwt net in barrels (Hull).
	Rs. a. p.	s. d. Near forward.	s. d. Spot.
1932, January	14 8 0	31 0 (100)	40 6 (131)
February	16 4 0	33 3 (100)	43 6 (131)
March	15 6 0	29 9 (100)	42 6 (143)
April	14 8 0	28 9 (100)	38 6 (134)
May	14 8 0	27 0 (100)	36 6 (135)
June	14 0 0	27 9 (100)	35 6 (128)
July	14 4 0	28 9 (100)	36 6 (127)
August	14 4 0	28 3 (100)	36 6 (129)
September	14 8 0	28 3 (100)	37 0 (131)
October	14 0 0	27 6 (100)	37 0 (135)
November	14 0 0	28 0 (100)	37 0 (132)
December	14 0 0	27 0 (100)	35 6 (131)
1933, January	13 12 0	26 6 (100)	34 6 (130)
February	13 12 0	25 6 (100)	34 6 (135)
March	12 12 0	23 6 (100)	33 6 (143)
April	12 0 0	22 6 (100)	33 0 (147)
May	12 8 0	26 0 (100)	33 0 (127)
June	12 8 0	25 6 (100)	34 0 (133)
July	12 8 0	25 0 (100)	34 0 (136)
August	12 8 0	24 3 (100)	33 0 (136)
September	12 8 0	23 0 (100)	33 0 (143)
October	12 6 0	23 6 (100)	32 0 (136)
November	12 6 0	23 9 (100)	32 0 (135)
December	12 6 0	23 0 (100)	31 6 (137)
1934, January	12 6 0	23 6 (100)	30 6 (130)
February	12 6 0	23 3 (100)	31 0 (133)
March	12 6 0	22 3 (100)	30 0 (135)

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices of castor oil were on a considerably lower level in 1933 as compared with the previous year. The parity between Indian and the United Kingdom

oils has been tending in favour of India in 1933 as compared with the preceding year and this has been of assistance in the sale of the Indian oil.

The production figures of castor oil are not available as far as India is concerned. Figures of production in the United States of America and the European countries are given below :—

Production of Castor Oil.

	(Tons of 2,240 lbs.) India.	U. S. A.	European countries.
1931	(a)	19,352	35,000
1932	(a)	15,591	30,000
1933	(a)	21,206	30,000

(a) Not available.

LINSEED OIL.

India has been granted preference by the United Kingdom and Mauritius.

The following table shows the exports of linseed oil from India in the last three years :—

Exports of Linseed Oil.

	Margin of preference.	Unit of Quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32.	Value. 1932-33.	Value. 1933-34.
United Kingdom	£3-10s. per ton.	Gals (000)	..	.	..	..	..	..
Mauritius ..	Rs. 3-50c per 100 Kilo.	,,	1·1	·5	2	2	1	3
Total of trade with Countries—Granting preference ..	..	,,	1·1	·5(1%)	2(3%)	2	1	3
Not granting preference	..	,,	36·9	43·6(99%)	65(97%)	61	70	107
Grand Total ..	..	..	38·0	44·1(100%)	67(100%)	63	71	110

N.B.—Figures in brackets represent percentages of total.

It will be seen that there are no exports of linseed oil from India to the United Kingdom and only a very small quantity is sent to Mauritius. India's chief markets therefore lie outside the countries granting preference. The total exports during 1933-34 amounted to 67 thousand gallons as compared with 44 thousand gallons in the preceding year and 38 thousand gallons in 1931-32. Thus the trade has been expanding in the last three years. The share of Mauritius was 2 thousand gallons in 1933-34 as compared with 500 gallons in 1932-33 and about 1 thousand gallons in 1931-32. The exports to Mauritius thus show some increase though the figures are too small to enable much stress to be laid on the improvement or to say definitely that it has been caused by the preference.

The following table gives the imports of linseed oil into the United Kingdom:—

Imports of Linseed Oil in the United Kingdom.

Tons (000).

	Total.	India.	Empire Countries.	Foreign Countries.
1929	31	..	0·007	31
1930	43	..	..	43
1931	37	..	0·007	37
1932	26	..	..	26
1933	7·2	Not available.		

Imports of linseed oil into the United Kingdom have been declining consistently in the last four years. In 1930 the United Kingdom imported 43 thousand tons. In 1932 the figure had fallen to 26 thousand tons and in 1933 it had reached the low level of 7 thousand tons. There have been no imports from India in any of the years. The preference therefore in this item is of little value directly though it is useful as the competition between the various oils is keen from the point of view of substitutions for each other under certain circumstances.

The following table gives the market quotations for linseed oil in India and the United Kingdom:—

Market quotations for Linseed Oil.

	India. Bombay. Raw, filtered *ex*-mill. Per Md. (28 lbs.) Rs. as. p.	United Kingdom London. (Country of origin not known). Per ton. £ *s.* *d.* Near forward.
1932—		
January	3 8 0	14 5 0
February	4 4 0	15 15 0
March	3 4 0	13 7 6
April	3 10 0	13 7 6
May	3 2 0	13 0 0
June	3 2 0	12 7 6
July	3 4 0	13 2 6
August	3 6 0	15 2 6
September	3 4 0	17 2 6
October	3 4 0	16 12 6
November	3 5 0	16 5 0
December	3 6 0	16 17 6

Market quotations for Linseed Oil—contd.

	India. Bombay. Raw, filtered *ex*-mill. Per Md. (28 lbs.) Rs. as. p.	United Kingdom. London. (Country of origin not known). Per ton. £ s. d.
1933—		
January	3 4 0	16 5 0
February	3 0 0	15 5 0
March	3 0 0	14 15 0
April	3 6 0	16 12 6
May	3 6 0	18 17 6
June	3 6 0	20 10 0
July	3 8 0	21 0 0
August	3 8 0	20 2 6
September	3 8 0	19 7 6
October	3 8 0	18 5 0
November	3 8 0	18 7 6
December	3 4 0	19 0 0
1934—		
January	3 8 0	18 7 6
February	3 8 0	18 7 6
March	3 10 0	17 15 0

Prices of linseed oil in India show a slight increase in 1933-34 on balance as compared with the preceding year. Prices in London, however, showed a definite increase in 1933 as compared with 1932. The reason for this is the failure of the crop in Argentine and the United States in 1932-33.

Production figures of linseed oil are not available for India. Figures for the United States of America, Holland and Germany are given below:—

Production of Linseed oil.

(Tons of 2,240 lbs.)

	India.	U. S. A.	Holland.	Germany.
1931	(*a*)	191,103	125,866	100,539
1932	(*a*)	149,098	134,781	131,797
1933	(*a*)	154,537	88,605	105,790

(*a*) Not available.

COCONUT OIL.

The Special Committee of the Assembly appointed to examine the Ottawa Agreement observed that there appeared to be a possibility of very great development of the market in the United Kingdom, but in recent years the volume of exports from India to that country had declined. Further they noted that local demand was considerable and now absorbed a part of the Indian production which previously was exported. They concluded therefore that though the preference might not enable India to enlarge her market in the United

Kingdom yet it was necessary to treat the vegetable non-essential oils as a group. India has an important interest in certain vegetable non-essential oils, of which the outstanding example is groundnut oil. These oils can, at least to a very large degree, be used in substitution one for the other. A duty of 15 per cent. *ad valorem* on coconut oil imported into the United Kingdom from non-Empire countries with free entry for Indian oil, apart from any effect which it may have on the Indian export trade in that commodity, is necessary to render effective the important preference on groundnut oil, rape oil and sesamum oil. It was thus to safeguard the other preferences that the case for a duty on coconut oil was pressed.

The following table gives the exports of coconut oil from India :—

Exports of Coconut Oil.

Margin of preference.	Unit of quantity.	Quantity. 1931-32.	1932-33.	1933-34.	Value. 1931-32. R (000)	1932-33. R (000).	1933-34. R (000).
United Kingdom 15% *ad valorem.*	Gals. (000)	11	12	12	18	17	17
Mauritius Rs. 3-50c. per 100 kilo.	,,	..	..	..	..	..	..
Total of trade with countries—							
Granting preference	,,	11	12 (41%)	12 (37%)	18	17	17
Not granting preference	,,	25	17 (59%)	20 (63%)	48	34	26
Grand Total ..	,,	36	29 (100%)	32 (100%)	66	51	43

N.B.—Figures in brackets represent percentages of total.

India exported 32 thousand gallons in 1933-34 as compared with 29 thousand gallons in the preceding year and 36 thousand gallons in 1931-32. The item, as will be seen, is very small in value. The share of the United Kingdom in 1933-34 amounted to 12 thousand gallons, the same as in the preceding year and 1 thousand gallons more than in 1931-32. The share of other countries went up by 3 thousand gallons. No conclusion however can be drawn from these statistics and the real value of the preference to India has already been indicated, *viz.*, the prevention of substitution.

The following table gives the imports of coconut oil (refined and unrefined) into the United Kingdom:—

Imports of Coconut Oil (Refined and Unrefined) into the United Kingdom.

Tons (000).

	Total.	India.	Empire Countries.	Foreign Countries.
1930	42·5	0·17	8·3	34·2
1931	43·5	0·27	9·0	34·5
1932	25·3	0·27	8·3	17·0
1933	13·4	0·14	8·7	4·7

Imports have been declining in the last three or four years. In 1932 the total imports amounted to over 25 thousand tons. In 1933 they had dwindled to 13 thousand tons or nearly half. Imports in 1931 were 43 thousand tons. India's share was insignificant.

Production figures for India and other countries are not available.

GROUNDNUT OIL.

Of the Empire countries which offer preference in groundnut oil India has trade with the United Kingdom, the Federated Malaya States, and Mauritius.

The share of the latter two is comparatively small and need not be considered separately.

The following table gives the exports of groundnut oil from India in the last three years :—

Exports of Groundnut Oil.

Margin of preference.	Unit of quantity.	Quantity.			Value.		
		1931-32.	1932-33.	1933-34.	1931-32. R (000).	1932-33. R (000).	1933-34. R (000).
United Kingdom 15 % *ad valorem.*	Gals. (000)	280	664	507	3,73	10,44	625
F. M. States 3 cents per lb.	,,	..	..	32	..	..	39
Mauritius Rs. 3-50 c. per 100 kilo.	,,	42	53	34	88	91	63
Total of trade with countries—							
Granting preference	,,	3,22	717 (78%)	573 (80%)	4,61	11,35	727
Not granting preference.	,,	1,33	200 (22%)	143 (20%)	2,11	2,97	175
Grand Total ..	,,	4,55	917 (100%)	716 (100%)	6,72	14,32	902

N.B.—Figures in brackets represent percentages of total.

Exports of groundnut oil during 1933-34 amounted to 716 thousand gallons as compared with 917 thousand gallons in 1932-33 and 455 thousand gallons in 1931-32. As was noted above, exports of groundnut oil, chiefly to the United Kingdom, were of considerable magnitude in the first three months of 1933 and if calendar years' figures were taken then the decrease of the total trade during 1933-34 would be converted into a big increase. The total exports in 1931 amounted 411 thousand gallons ; they advanced to 520 thousand gallons in 1932, whereas in 1933 they rose still further to 1,105 thousand gallons. The share of the United Kingdom on the fiscal year basis shows a decline of 157 thousand gallons in 1933-34 as compared with the previous year. If calendar years' figures were taken however the exports to the United Kingdom show a consistent increase since 1931. The exports from India to the United Kingdom in that year amounted to 235 thousand gallons. In 1932 they rose to 355 thousand gallons and in 1933 there was a much greater increase to 796 thousand gallons. Thus it would appear that the preference helped India not only to maintain her position in the United Kingdom market but to increase it considerably. The position would have been much better had it not been for the fact that the demand for groundnut oil in the world and chiefly in England was comparatively weak throughout 1933. Low butter prices, caused by record production in most countries, affected the demand of all vegetable edible oils and groundnut oil, one of the important member in this group, suffered.

The following table gives the imports of groundnut oil (unrefined) into the United Kingdom :—

Imports of unrefined Groundnut Oil into the United Kingdom.

	Tons (000).			
	Total.	India.	Empire Countries.	Foreign Countries.
1931	13·0	0·63	0·63	12·37
1932	3·7	1·5 (40%)	1·5 (40%)	2·2 (60%)
1933	4·0	3·8 (95%)	3·8 (95%)	0·2 (5%)

N.B.—Figures in rackets represent percentages of total.

The imports of groundnut oil (unrefined) into the United Kingdom amounted to 4 thousand tons in 1933 as compared with 3·7 thousand tons in the previous year and 13 thousand tons in 1931. The total trade seems to have been declining considerably in the last two years as compared with the earlier years. The share of India in the United Kingdom market in 1931 was 0·63 thousand gallons or 5 per cent.; in 1932 it rose to 1·5 thousand tons or over 40 per cent. In 1933, India was responsible for 95 per cent. of the total imports into the United Kingdom, her share amounting to 3·8 thousand tons. The share of other countries had dwindled to 5 per cent. This shows very definitely that the preference has enabled India to capture this market and oust all her competitors.

The following table gives the market quotations for groundnut oil in India and the United Kingdom :—

Market Quotations for Groundnut Oil.

	India.	United Kingdom.	
	Bombay.	London.	
	Raw, filtered ex-mills.	Bombay Crude (Drums).	English Crude (Naked).
	Per Md. (28 lbs.).	Per Ton.	Per Ton.
		(Near forward)	(Spot)
	Rs. as. p.	£ s. d.	£ s. d.
1932, January	5 0 0	31 0 0 (100)	30 0 0 (96)
February	6 0 0	40 0 0 (100)	38 0 0 (95)
March	..	33 10 0 (100)	37 10 0 (112)
April	..	32 0 0 (100)	35 0 0 (109)
May	4 10 0	33 0 0 (100)	32 10 0 (98)
June	4 12 0	31 0 0 (100)	33 5 0 (107)
July	4 8 0	29 10 0 (100)	34 5 0 (116)
August	4 8 0	29 0 0 (100)	33 15 0 (116)
September	4 0 0	27 10 0 (100)	35 0 0 (127)
October	3 8 0	25 15 0 (100)	30 0 0 (117)
November	..	25 5 0 (100)	31 0 0 (123)
December	..	26 5 0 (100)	29 0 0 (110)
1933. January	..	27 0 0 (100)	29 0 0 (107)
February	..	24 15 0 (100)	26 10 0 (107)
March	..	23 0 0 (100)	24 10 0 (107)
April	..	23 0 0 (100)	24 0 0 (104)
May	..	23 10 0 (100)	24 10 0 (104)
June	3 2 0	24 0 0 (100)	25 10 0 (106)
July	3 0 0	23 10 0 (100)	25 10 0 (109)
August	2 15 0	22 10 0 (100)	25 10 0 (113)
September	2 14 0	21 0 0 (100)	23 0 0 (110)
October	2 14 0	20 10 0 (100)	22 10 0 (110)
November	2 10 0	20 0 0 (100)	22 10 0 (113)
December	2 8 0	19 5 0 (100)	20 10 0 (106)
1934, January	2 7 0	19 0 0 (100)	20 10 0 (108)
February	2 8 0	19 0 0 (100)	20 0 0 (105)
March	2 7 0	18 10 0 (100)	17 10 0 (95)

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices of groundnut oil showed a big decline in 1933 as compard ewith the preceding year owing largely to severe competition from butter. From the introduction of the preference in March 1932 the parity has generally been greatly in India's favour; hence her increased share of the trade.

Figures of production of groundnut oil in India are not available. Figures of production in France and Germany are given below :—

Production of Groundnut Oil.

(Tons of 2240lbs.).

——	India.	France.	Germany.
1931	(a)	258,365	238,242
1932	(a)	262,347	99,987
1933	(a)	300,657	126,674

(a) Not available.

RAPESEED OIL.

India has been granted preference by the United Kingdom, the British West Indies and Fiji. By far the most important customer for India in the British Empire is Fiji. The following table gives the total exports of rapeseed oil from India : —

Exports of rapeseed oil.

——	Margin of preference.	Unit of Quantity.	Quantity.			Value Rs. in (000).		
			1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
U. K. ..	15% *ad val.*	Gals. (000)	4	34	16	12	53	23
Br. W. I. Islands (a) ..	4*d.* per gal.	,,	5	4	6	10	6	8
Fiji ..	6*d* per gal.	,,	40	63	51	85	100	60
Total of trade with countries—								
Granting preference			49	101 (45%)	73 (28%)	107	159	91
Not granting preference			201	125 (55%)	190 (72)%	324	190	218
Grand Total			250	226	263	431	349	309

(a) *Rate refers to Jamaica.*

N.B.—Figures in brackets represent percentages of total.

The total exports during 1933-34 amounted to 263 thousand gallons as compared with 226 thousand gallons in the preceding year and 250 thousand gallons in 1931-32. Thus the trade in 1933-34 shows some increase over the two preceding years. The share of the countries granting preference, however, shows a decline in 1933-34 as compared with the previous year but an increase as against 1931-32. Exports to these countries amounted to 73 thousand gallons in 1933-34 as compared with 101 thousand gallons in the preceding year and 49 thousand gallons in 1931-32. The share of Fiji in the same period went down from 63 thousand gallons to 51 thousand gallons and that of the United Kingdom from 34 thousand gallons to 16 thousand gallons. United Kingdom's share

was however 4 thousand gallons only in 1931-32. On the other hand, the share of countries not granting preference has gone up considerably from 125 thousand gallons in 1932-33 to 190 thousand gallons in 1933-34. On the whole therefore this preference does not appear to have been of value to India apart from the protection which it gives to the other vegetable oils in the United Kingdom market.

The following table gives the imports of rapeseed oil into the United Kingdom.

Imports of Repeseed oil into the United Kingdom

				Tons (000)
——	Total.	India.	Empire countries.	Foreign countries.
1929	4·7	..	0·016	4·7
1930	7·5	..	0·023	7·5
1931	2·6	..	0·015	2·6
1932	0·53	..	0·088	0·44
1933	0·26	0·07	0·07	0·19

Imports of rapeseed oil have been declining in the last four years. In 1930 the United Kingdom imported 7·5 thousand tons; by 1932 the figure had dropped to 530 tons and in 1933 it decreased to 260 tons. Figures of India's share in the earlier years are not available. In 1933 she sent 70 tons or 27 per cent. of the total imports of the United Kingdom. No comparison, however, can be drawn as earlier figures are not available.

SESAMUM OIL.

India has been granted preference in the United Kingdom and the Federated Malay States. The following table gives the exports of sesamum oil in India in the last three years.

Exports of Sesamum Oil.

			Quantity.			Value.		
	Margin of preference.	Unit of quantity.	1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
						Rs. (000)	Rs. (000)	Rs. (000)
United Kingdom	15% ad. val.	Gals. (000)	0·04	·02	0·01	..	..	..
Federated Malay States.	2 cents per lb.	..	..	..	..	..	..	..
Grand Total	..	,,	96	75	104	230	141	167

India does not export sesamum oil either to the United Kingdom or to the Federated Malay States in any appreciable quantity. All her markets lie in other countries. The total exports during 1933-34 amounted to 104 thousand gallons as compared with 75 thousand gallons in 1932-33 and 96 thousand gallons in 1931-32. The trade thus shows some increase as compared with the preceding two years. The item, however, is fairly small.

Production figures for India are not available. Those for Japan, Italy and Denmark are given below.

Production of Sesamum Oil.

(Tons of 2240 lbs.).

	India.	Japan.	Italy.	Denmark.
1931	(a)	10,305	6,046	3,545
1932	(a)	7,735	6,348	2,571
1933	(a)	(a)	6,087	3,668

(a) Not available.

MAGNESIUM CHLORIDE.

The manufacture of magnesium chloride is a comparatively new industry in India and is carried on in one of the salt areas in Kathiawar. From the information supplied by the producers it seemed probable to the Indian Delegation that a preference of 1*s*. per cwt. would enable the Indian makers to supply part of the requirements of the British market which, till recently, was regarded as a German monopoly.

The production of magnesium chloride in India is mainly confined to a single factory whose products find a market not only in India but in the United Kingdom, the Netherlands and even in Germany. The annual output during the three years ending 1932-33 was 4,200, 7,600 and 7,650 tons respectively. The Indian exports during 1933-34 amounted to 1,080 tons out of which 643 tons (or 60 per cent.) went to the United Kingdom and 320 tons (or 30 per cent.) to the Netherlands. This article is being separately recorded in the Indian export returns only from 1933-34 and the distribution of the trade in previous years is not known but according to trade estimates the total exports have been as follows :—

	Tons.
1930	900
1931	900
1932	2,300

In the United Kingdom trade returns statistics of imports of magnesium chloride are not separately recorded but are combined together with those of other magnesium compounds. It is not possible, therefore, to say definitely how India stands *vis-a-vis* other suppliers in the United Kingdom market. It is significant, however, that the imposition of the new duty on non-Empire chloride has coincided with the increase in the *cum*-duty London price of German magnesium chloride by £1 to £6-10*s*. per ton since November 1932.

LINSEED.

The Indian Delegation to the Ottawa Conference considered the preference on Indian linseed when imported into the United Kingdom as one of great value to this country. In their opinion the United Kingdom was in a position to absorb a much larger quantity of Indian linseed than India had been exporting to that country and there was a considerable possibility of India being able

to extend her cultivation of linseed as a result. Before the war India used to grow and export much larger quantities than she has been doing in recent years :—

Indian Production and Exports of Linseed.

	Production. Tons (000)	Exports. Tons (000)
1911-12	644·9	522
1912-13	542·1	355
1913-14	386·2	414
1914-15	397·0	322
1933-34	377·0	379

It was noted that the working of the preference, however, would have to be watched carefully so that production and export could be increased in an orderly fashion when found necessary. Otherwise it was considered not at all unlikely that the United Kingdom would refuse to continue the preference indefinitely if it resulted in a heavy burden.

The following table gives the exports of linseed from India for the past six years—

Exports from India.

(In thousand tons.)

Year.	Total exports.	U. K.	All Empire countries.	All foreign countries.
1928-29	156·7	18·1	41·0	115·7
1929-30	248·2	79·5	102·4	145·8
1930-31	256·8	57·6	68·7	188·1
1931-32	120·3	14·1	24·4	95·9
1932-33	72·2	14·3	23·7	48·5
1933-34	378·9	175·2	187·2	191·7

Preference has been granted to Indian linseed in the United Kingdom and Fiji. The share of the latter, however, in the total trade is very small and need not be considered separately. India's exports to the United Kingdom amounted to 14,000 tons only in 1931-32 and 1932-33. In 1933-34 they reached the

enormously increased figure of 175 thousand tons. Exports to other countries amounted to 58 thousand tons in 1932-33 and 106 thousand tons in 1931-32. In 1933-34 these exports rose to 204 thousand tons. Thus, it will be seen that India's exports both to the United Kingdom and to other countries increased enormously during 1933-34, as compared with the preceding two years and further that the increase in the case of the exports to the United Kingdom was of much larger dimensions, both actually, and as a percentage, than in the case of other countries.

It is also of importance to consider the position from the point of view of imports into the United Kingdom and for this purpose the following table, giving the imports of linseed into the United Kingdom from all countries, has been compiled :—

Imports into the United Kingdom.

[In tons (000).]

Year.	Total imports.	India.	All Empire countries.	Argentine Republic.	All foreign countries.
1929	284	76	76	198	208
1930	223	71	72	140	151
1931	338	15	15	311	323
1932	362	9	9	344	353
1933	249	131	133	113	116

The total imports of linseed into the United Kingdom during 1933 amounted to 249 thousand tons as compared with 362 thousand tons in the preceding year and 338 thousand tons in 1931. Thus, during last year, her imports of linseed were on a much lower scale than in either of the two preceding years. Of this trade India's share in 1932 was only 9 thousand tons or $2\frac{1}{2}$ per cent., while in 1933 it rose to 131 thousand tons or nearly 53 per cent. On the other hand, the share of foreign countries, chiefly Argentine, was 353 thousand tons, or $97\frac{1}{2}$ per cent. in 1932, but in 1933 it had dwindled to 116 thousand tons or a little under 47 per cent. It is obvious therefore that India's share rose enormously from 1932 to 1933, not only as a percentage but also in actual volume, in spite of the fact that the total imports into the United Kingdom declined very considerably in 1933 as compared with the preceding year. The share of the Argentine, on the other hand, registered a sharp decline as compared with the preceding two years. In this connection, however, it must be remembered that both in 1931 and in 1932 Argentine had bumper linseed crops and dominated the world supply of linseed. On the other hand in 1933 the position was definitely unfavourable for Argentine as her crop that year was short. Whatever the effects of the various causes may have been the fact remains that India's share of imports into the United Kingdom rose very considerably during 1933 and to a very large extent India replaced Argentine

as a supplier of linseed to the United Kingdom. The various factors which have had an influence in bringing about this position may be examined briefly.

The first factor which, *prima facie*, suggests itself is the grant by the Ottawa Trade Agreement, of the 10% preference on Indian linseed when imported into the United Kingdom. Before examining this aspect of the question, however, it is important to note that India's exports of linseed to other countries also registered a very large increase—although as already noted not so large as in the case of the United Kingdom—and obviously this increase cannot be due to preference but must have resulted from other causes of a world character, the chief of which was the comparative failure of the competing linseed crops in the world during the year 1933. The chief competitor of India in the world market as far as linseed is concerned is Argentine. That country had two bumper crops in 1930-31 and 1931-32. As a result exports from Argentine were on a very high level during 1931 and 1932. The Indian exports in these two years naturally suffered and were of very low dimensions. Prices were fairly low and when such is the case Indian linseed is largely consumed within the country or stored in the hope of a future rising market. The 1932-33 crop in Argentine was a short one amounting to 1·4 million tons only. As a result total exports of linseed from Argentine during 1933 were 1·4 million tons, *i.e.*, only two-thirds of what they had been in each of the two preceding years. Consequently, the world demand had to be met to a greater extent by supplies from other countries and India being the second largest supplier of linseed was called upon to meet this demand. Another factor which also helps to explain the much larger demand for Indian linseed in the world market was the comparative failure of the linseed crop in the United States of America. The American crop in 1932 amounted to 292 thousand tons, in 1933 it fell to 170 thousand tons. These failures of the crop in two important countries affected world supplies and as a result the exports of Indian linseed increased very considerably. The total exports to all countries of Indian linseed during 1933-34 amounted to 379 thousand tons as compared with 72 thousand tons in the preceding year and 120 thousand tons in 1931-32. These figures bring out clearly the enormous increase in the export trade during last year. The shortage of crops in foreign supplying countries was perhaps the more important cause of the enormous increase in the exports of linseed from India, but it is definitey the case that in the United Kingdom market the preference greatly helped India to capture a predominant share of the market from Argentine linseed. The exports to that market from India during 1933-34 were 175 thousand tons as compared with only 14 thousand tons in each of the two preceding years. Further, this large increase was made not at the cost of India's exports to other countries as the latter also increased during 1933-34, although not to the same degree as India's exports to the United Kingdom in spite of the fact that for many years before the grant of preference the United Kingdom was always a much smaller market than other countries for Indian linseed. It appears therefore quite definite that as a result of the preference the United Kingdom market took Indian linseed in much larger quantities in 1933 than in the previous years; but it has also to be noted that, had it not been for the short crop in Argentine, the competition from that source would have been much keener. The shortage of the crop in that country, moreover, raised the parity of Argentine seed as

compared with Indian linseed and this naturally affected the demand for the former adversely. The following table shows this clearly :—

Market Quotations for Linseed.

	India.	United Kingdom.	
	Bombay.	London.	
	Bold.	La Plata.	Bombay Bold.
	Per cwt.	Per cwt.	
	Rs. A. P.	s. d.	s. d.
1932.	(a)	(b)	(b)
January	6 5 0	8 10½ (76)	11 9 (100)
February	7 8 0	8 7½ (71)	12 1½(100)
March	6 0 0	8 10½ (71)	12 6 (100)
April	5 15 0	7 10½ (68)	11 6 (100)
May	..	7 9 (72)	10 9 (100)
June	5 7 0	7 6 (70)	10 9 (100)
July	5 12 0	8 0 (75)	10 7½(100)
August	6 2 0	8 3 (77)	10 9 (100)
September	6 5 0	9 3 (77)	12 0 (100)
October	6 3 0	8 9 (73)	12 0 (100)
November	6 1 6	8 7½ (74)	11 7½(100)
December	6 2 0	9 0 (79)	11 5¼(100)
1933.			
January	6 3 0	8 11 (77)	11 6¾(100)
February	5 9 6	8 6¾ (78)	10 11¼(100)
March	5 1 6	8 2¼ (79)	10 3¾(100)
April	5 8 0	8 3 (87)	9 5¼(100)
May	5 14 0	9 1½ (85)	10 9 (100)
June	6 10 0	10 3 (87)	11 9 (100)
July	6 14 0	11 6 (94)	12 3 (100)
August	6 8 6	11 3 (93)	12 1½(100)
September	6 2 0	11 0 (92)	12 0 (100)
October	5 14 0	10 3 (91)	11 3 (100)
November	6 2 0	10. 0 (86)	11 8¼(100)
December	5 11 6	9 5¼ (83)	11 4½(100)
1934.			
January	6 1 0	9 3 (85)	10 11¾(100)
February	6 1 0	9 6 (83)	11 6 (100)
March	..	9 4¼ (83)	11 3 (100)

(a) End of month. (b) Beginning of month.

N. B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Indian linseed is generally of better quality than Argentine and the parity of La Plata seed in the United Kingdom market as compared with Indian seed varied between 70 and 76 in the first six months of 1932, and was between 73 and 79 in the second half of that year. The short crop of 1933 raised the parity of Argentine seed considerably and by July the figure had gone up to 94. It has been reported that for a part of August 1933 Indian and Argentine linseed sold at the same price in spite of the fact that Indian linseed usually commands a considerable premium in the United Kingdom market on account of its larger oil-content. The position since September 1933, however, has improved for Argentine linseed, the parity declining considerably to a figure of 83 in March 1934. From the table it will be seen that almost throughout the whole of the year 1933 the parity was always in favour of India and this position greatly assisted exports of linseed from India. But it must be borne in mind that the 10 per cent. preference which India received definitely affected the Argentine parity placing exports from that country in a relatively disadvantageous position. As the La Plata seed had to pay 10 per cent. duty before entering the United Kingdom its price had to increase to some extent. This fact coupled with the short crop turned the parity largely against La Plata.

To sum up, therefore, the position appears to be that the short crops in Argentine and the United States of America enormously increased the demand for Indian linseed in the world markets and this led to very heavy exports from India during 1933-34. Superimposed on this was the effect of the 10 per cent. preference granted to Indian linseed in the United Kingdom. This preference helped Indian linseed to oust the Argentine linseed from the United Kingdom market more effectively and to that extent was definitely advantageous. What the position would have been if Argentine had a good crop is difficult to say. Argentine is a much larger supplier of linseed to the world markets than India. But even so, while the preference continues the United Kingdom market will, to a very large extent, remain a sheltered market for Indian linseed. As matters have turned out, however, the 1933-34 Argentine crop has also been a comparative failure, the production amounting to only 1·3 million tons, which is much the same as the output in 1932-33. In view of this second failure together with the preference, the position of Indian linseed should be strong during the year 1934-35 and these two factors acting in the same direction will encourage the exports of Indian linseed.

In conclusion it may be stated quite definitely that the 10 per cent. preference on linseed has certainly benefited India during the year 1933-34.

The area sown with linseed in India in 1933-34, has not responded to the increased export demand of the year. It was not to be expected, however, that the area sown would respond at once to the larger export demand, especially as stocks had been heavy during the preceding year when the export demand was so poor. It was not considered wise to undertake direct propaganda for the increase of the linseed area in the year 1933-34, as the position was not always clear and it was considered undesirable to undertake such propaganda through a Government agency. The position for 1934-35 is less obscure and it is probable that with some encouragement, which seems

justified, an increase in area may be expected in that year. The following table gives the production of linseed in the chief producing countries —

Production of Linseed.

	Acres (000).			Tons (000).		
	India.	Argentine.	U. S. A.	India.	Argentine.	U. S. A.
1928–29	3,109	6,936	2,674	322	1,955	497
1929–30	2,802	5,229	3,046	380	1,247	397
1930–31	3,009	6,746	3,734	377	1,954	531
1931–32	3,309	8,260	2,415	416	2,222	294
1932–33	3,299	7,401	1,975	406	1,432	292
1933–34	3,257	6,852	1,283	377	1,316	170

COFFEE.

India and other Empire countries were granted a preference of 9*s.* 4*d.* a cwt. in the United Kingdom by the Ottawa Agreement, the preference coming into force on 17th November 1932, so far as India was concerned. The preference in May 1924 was 2*s.* 4*d.* ; thus the additional preference secured was 7*s.* a cwt. The Indian Delegation in their report observed that Indian production is largely dependent on the export demand and since the United Kingdom consumes nearly three times as much coffee as India exports, an increase in the preference is likely to result in a larger demand for Indian coffee. Most of the foreign coffee imported into the United Kingdom is of a mild type and similar to good type Indian coffee. The Delegation therefore thought it reasonable to expect that the consumption of Indian coffee in the United Kingdom would increase substantially. The minority of the Special Committee of the Assembly which reported on the Ottawa Agreement were however, diffident about the conclusion of the Delegation. In their opinion the other Empire countries, especially Kenya, were in a better position than India to take advantage of the preference in the United Kingdom market. Further, foreign countries were India's chief customers, as far as coffee was concerned, and the home market in India was also becoming more and more important. The preference therefore, in the eyes of the Minority, was of little importance. The following table analyses the position as regards the exports of coffee from India :

Exports of coffee from India.

[In cwt. (000)].

	Total Exports.	U. K.	All Empire countries.	France.	All Foreign countries.
1928–29	197·6	40·8	62·8	56·2	134·8
1929–30	184·2	68·5	86·3	43·8	97·9
1930–31	292·9	78·5	97·1	107·7	195·8
1931–32	155·6	44·1	50·8	43·1	104·8
1932–33	173·2	51·9	59·5	54·4	113·7
1933–34	186·0	53·0	60·5	57·1	125·5

The total exports of coffee from India during 1933-34, amounted to 186,000 cwts.; the exports in the previous year were 173,000 cwts. and those in 1931-32, 156,000 cwts. It will thus be seen that the total exports of coffee have

been increasing during the last three years. The total exports from India to the United Kingdom during 1933-34 were 53,000 cwts. In 1932-33 they amounted to 52,000 cwts. and in 1931-32, 44,000 cwts. Thus, there has been an increase in our exports to the United Kingdom. It will be noticed, however, that though the absolute quantity of exports to the countries granting preference shows an increase in the last three years yet the percentage share of those countries in our trade shows a small diminution. In other words, trade with other countries was increasing more rapidly in the last three years than trade with the United Kingdom. The preference therefore has not enabled India to increase her trade greatly but probably it has helped her to avoid any loss in the United Kingdom market.

The following table gives the imports of coffee into the United Kingdom from various sources

Imports of coffee into the United Kingdom.

[In cwt. (000)].

	Total imports.	India.	B. E. Africa.	All Empire countries.	Costa Rica.	Nica-ragua.	All Foreign countries.
1929 ..	558	24	178	204	259	12	354
1930 ..	815	89	324	418	305	15	397
1931 ..	751	46	290	339	291	30	412
1932 ..	742	50	276	329	227	26	413
1933 ..	673	45	288	337	—	—	336

The total imports of coffee into the United Kingdom show a considerable decline in the last four years. In 1930, the United Kingdom imported 815,000 cwts. of coffee. By 1932, the figure had fallen to 742,000 cwts. ; in 1933 the imports fell to 673,000 cwts. India's share also during this period fell from 89,000 to 45,000 cwts. In 1932, the total imports of coffee from Empire sources into England amounted to 44·3 per cent. whereas those from non-Empire sources to 55·7 per cent. Mainly as a result of preference the Empire countries have improved their position in the market of the United Kingdom, their share in 1933, amounting to 50·1 per cent., whereas that of foreign countries fell to 49·9 per cent. It will be noticed that though the total imports into the United Kingdom decreased by nearly 70,000 cwts. between 1932 and 1933, the share of the Empire countries went up by 8,000 cwts., in the same period, the loss being borne by foreign countries whose contribution dropped from 413,000 cwts. to 336,000 cwts. It will be noted, however, that though the Empire countries as a whole have profitted by the preference, India has not improved her position in the United Kingdom market as a result of the preference, her share going down from 50,000 in 1932 to 45,000 in 1933. The other Empire countries, chiefly Kenya, seem to have profited more from the preference than India.

It will be interesting to examine the causes of the higher imports into the United Kingdom from the other Empire countries in 1933. The chief reason, as far as can be seen from the available statistics, appears to be the

much larger coffee crop in Kenya in 1932-33, as compared with the preceding year. The following table shows the production of coffee in the various countries which are important producers.

Production of Coffee.

(In million lbs.)

Year.	India.	Costa Rica(*a*)	Uganda and Nyasaland.	Kenya.
1928–29	27·8	43·3	4·6	15·2
1929–30	39·4	51·8	4·7	26 1
1930–31	33·0	50·6	5·6	31·0
1931–32	33·6	40·7	8·0	20·2
1932–33	(*c*) 32·5	46·2	(*b*)	35·5

(*a*) Export figures. (*b*) Not available. (*c*) Provisional.

It will be seen that the production in India in 1932-33 from which exports for 1933 are drawn was a million lbs. less than in the preceding year. The crop in Kenya, on the other hand, shows an increase of 15 million lbs. The Costa Rica crop also increased from nearly 41 million lbs. to 46 million lbs. This greater crop in the case of Kenya accounts to a great extent for its larger exports to the United Kingdom. It is certain, therefore, that had it not been for preference India would have lost heavily in the United Kingdom market and would not have been able to maintain her percentage share at a constant level. It may be concluded therefore that although the preference did not help India to increase her share in the United Kingdom market, nevertheless in that market it enabled her to maintain her share which without the preference would most assuredly have receded to a much lower level.

The following table gives the market quotations for coffee in London for the three principal competing varieties, namely, Costa Rica, Mysore and Kenya.

Market Quotations for Coffee.

	India (Bangalore).	United Kingdom (London).		
	Nilgiris Parchment. Per 28 lbs.	Costa Rica.	Mysore. *Shillings per cwt.*	Kenya.
1932—	Rs. a. p.	(105) (94)	(100) (100)	(68) (88)
January ..	.. 17 14 0	100 to 160	95 to 170	65 to 150
February ..	.. 15 4 0	,, ,,	,, ,,	,, ,,
March	.. 16 4 0	,, ,,	,, ,,	,, ,,
April	.. 17 11 0	,, ,,	,, ,,	,, ,,
May	.. 18 2 0	,, ,,	,, ,,	,, ,,
		(89) (94)		
June	.. 18 10 0	85 to 160	,, ,,	,, ,,
July	.. ,,	,, ,,	,, ,,	,, ,,
August ..	.. ,,	,, ,,	,, ,,	,,

Market Quotations for Coffee—contd.

	India (Bangalore). Nilgiris Parchment. Per 28 lbs.			United Kingdom (London). Costa Rica.	Mysore.	Kenya.
				Shillings per cwt.		
1932—*contd.*	Rs.	a.	p.	(89) (94)	(100) (100)	(68) (88)
September ..	.. 18	4	0	85 to 160	95 to 170	65 to 150
October ..	.. 17	13	7	,, ,,	,, ,,	,, ,,
November ..	.. 17	4	0	,, ,,	,, ,,	,, ,,
December ..	..	,,		,, ,,	,, ,,	,, ,,
1933—						
January ..	.. 17	6	5	,, ,,	,, ,,	,, ,,
February ..	.. 16	12	0	,, ,,	,, ,,	,, ,,
March	.. 16	4	0	,, ,,	,, ,,	,, ,,
April	..	,,		,, ,,	,, ,,	,, ,,
May	.. 17	0	5	,, ,,	,, ,,	,, ,,
June	.. 19	2	0	,, ,,	,, ,,	,, ,,
July	.. 17	4	0	,, ,,	,, ,,	,, ,,
August ..	.. 17	4	0	,, ,,	,, ,,	,, ,,
September ..	..	,,		,, ,,	,, ,,	,, ,,
October ..	.. 16	7	2	,, ,,	,, ,,	,, ,,
				(100) (94)	(100) (100)	(56) (88)
November ..	.. 15	4	0	80 to 160	80 to 170	45 to 150
December ..	.. 14	14	8	,, ,,	,, ,,	,, ,,
1934—						
January ..	.. 14	2	0	,, ,,	,, ,,	,, ,,
February ..	.. 15	7	0	,, ,,	,, ,,	,, ,,

Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

From January 1932 till November 1933 there was very little change in coffee prices except in the case of Costa Rica the minimum price of which in June 1932 dropped from 100*s*. to 85*s*. and remained at that level till November 1933. Prices in November 1933 recorded an all-round decrease in the case of all the three varieties, the decrease being highest in the case of Kenya from 65*s*. (minimum price) to 45*s*. The drop in the case of Indian was from 95*s*. (minimum limit) to 80*s*. (minimum limit). Costa Rica coffee dropped only by 5*s*. from its earlier level but as it had also declined in June 1932 the decrease compared with January 1932 was greater than in the case of Indian coffee. On the whole, however, no very definite conclusion can be drawn from these price statistics as regards the effect of preference. The greater fall in the minimum limits of Costa Rica and Kenya is the only point which can be noted.

The slender results of the preference granted to India and the absence of expansion of her market in the United Kingdom may be explained by other circumstances. Firstly, coffee normally enjoys a limited market in the United Kingdom and Indian coffee, being generally of superior quality, is mainly required for purposes of blending only. On a strictly quality basis India's coffee is inferior to Costa Rican coffee; on a strictly price basis, East African

coffee is relatively cheaper. As far as Costa Rican competition is concerned, India is at a disadvantage arising from two conditions—firstly, because Costa Rica normally commands a higher price and as a result the advantage in the direction of possible price-cutting is on the side of Costa Rica. Secondly, it is reported that Indian coffee has been showing signs of deterioration in the last few years owing—it is said—to the plants, especially in Southern India, having passed their period of maturity. The view is held by the trade in the United Kingdom that if the quality of Indian coffee is improved its sales in the United Kingdom market will expand rapidly. As far as grading and preparation for the market are concerned, Indian coffee is superior to the East African and is considered as good as any, but the advantage of the East African coffee is likely to persist within certain limits owing to the earliness of the crop movement in Kenya relatively to the opening of the season in India. How far Indian coffee would be able to oust the Costa Rican it is difficult to say, because Costa Rican coffee has a price advantage, and the Empire sentiment in favour of Indian coffee is difficult to play upon owing to the fact that Indian coffee seldom reaches the consumer except in the form of blend. On the whole, however, if the quality of Indian coffee were improved and suitable measures were taken by advertising to push Indian coffee in the United Kingdom market, it seems highly probable that the exports to that country would show a profitable increase. The area under coffee cultivation in India has not been affected by the preference in the short period during which it has so far been operative.

TEA.

The Indian Delegation and the majority in the Special Committee of the Legislative Assembly considered the preference on tea of great importance. The two great tea producing countries within the Empire are India and Ceylon and both have to face severe competition from the Dutch East Indies. If therefore India had refused to enter into an Agreement she would have had to bear the full force of the competition of the Dutch East Indies not only in the foreign markets but also in Empire markets, chiefly the United Kigndom which is her largest customer. Moreover, in that market India would have had to compete with Ceylon on very unequal terms as the latter country would have been receiving preference of 2 pence a lb. over India. The inevitable result of this would have been a steady decline in India's tea trade and a very grave curtailment of the production of the tea growing districts in India. On these grounds the preference on tea was considered to be of vital importance to India.

The effects of the preference, however, have been completely obscured by the introduction of the Tea Export Restriction Scheme which came into force during 1933. The object of the preference was clearly to increase or at least to maintain the United Kingdom market for Indian tea by making competition from non-Empire producers more difficult. It was expected that this would enable India and Ceylon to increase their total exports both to the United Kingdom and to the neutral markets at the cost of the Dutch East Indies. But the Tea Export Restriction Scheme, as its name suggests, was brought into being in order to regulate the exports from all the chief producing countries.

The tea industry all the world over had been suffering from severe depression in the two or three seasons before 1933. This was chiefly due to world

overproduction of tea. Further the general trade depression had diminished the demand for tea. The results of the excess of production in the world over demand were reflected in the great fall of prices of tea in India as well as in the United Kingdom market. The average price realised for teas from the various districts in India was Re. 0-10-1 per lb. in 1929. In 1930 it dropped to Re. 0-9-2; in the following year the fall was much greater to Re. 0-6-2 and in 1932 when the depression of tea industry was at its worst the price receded to Re. 0-4-3, *i.e.*, a fall of nearly Re. 0-6-0 or 60 per cent. as compared with 1929. Prices realised in the London market reflected the same position. It was realised by the tea interests, both in India and outside, that a continuance of this low level of prices would seriously jeopardise the future of the industry and would spell ruin to a number of producers. The representatives of the tea growing interests in India, Ceylon and the Dutch East Indies therefore came to an agreement to regulate their exports. It was held that by this process, prices could be raised in the big consuming world markets and the industry thereby placed on a healthy basis once again. The Governments of the various countries were requested to undertake legislation to prohibit exports in excess of the quotas agreed upon for each producing country. The standard upon which the regulation of exports was based was the maximum exports attained by the three countries in any of the three years, 1929-1931. For the first year it was agreed that 85 per cent of the standard exports should be the quota for each country. Each of the countries was to select any year of the three mentioned above to determine its standard. India and Ceylon selected 1929, while the Dutch East Indies selected 1931. On this basis, India's exports allotment for the financial year 1933-34 was fixed at 320,570,560 lbs. Further, by this agreement it was decided that the existing tea areas must not be extended during the five years of its currency except in special cases. Under no circumstances were such extensions and new plantings to exceed half of 1 per cent. of the present total planted tea area of the country. It will thus be seen that by this agreement both the exports and the extension of production of tea were regulated. As far as internal consumption in India was concerned, the producers agreed among themselves to restrict production for this market to 59 million lbs. as against the estimated consumption in India of 51 million lbs. The tea industry therefore is now working entirely under regulation. The result has been that the benefit of the preference in extending export markets as well as in increasing production could not operate. It is of little use therefore to try to isolate the effects of the preference on the trade while the restriction scheme is in operation. The quota for the year 1934-35 has been fixed at a little under 330 million lbs. It is the international Council, therefore, which means the tea trade itself, which will decide how much may be exported from each country and the preference cannot have free play to influence the volume of export from each producing country in such circumstances. The statistics, however, may be studied for what they are worth, but no definite conclusion can be drawn as regards the effect of preference on the volume of the trade.

India has received preference in the United Kingdom, Ceylon and a number of British Colonies. The following table shows the exports of tea during the last three years.

Exports of Tea.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32.	Value. 1932-33.	Value. 1933-34.
						R(000)	R(000)	R(000)
United Kingdom	2d. per lb.	Lbs. (000)	291,199	330,661	276,459	16,92,84	14,78,45	17,58,16
Ceylon§	12½ cents per lb.	,,	2,907	3,531	3,247	20,31	23,23	20,30
Federated Malay States	2 cents per lb.	,,	1	2	6	1	1	3
British Guiana	16 cents per lb.	,,	11	22	13	5	10	7
Fiji Islands	3d. per lb.	,,	16	17	20	6	5	11
British West India Islands	*4d. per lb.	,,	58	1,75	67	25	75	37
Total of Trade with countries—								
Granting preference	....	..	294,192	334,408 (88%)	279,812 (88%)	17,13,52	15,02,59	17,79,04
Not granting preference	....	..	47,326	44,429 (12%)	38,030 (12%)	2,30,22	2,12,69	2,05,58
Grand Total	....	..	341,518	378,837	317,842	19,43,74	17,15,28	19,84,62

NOTE.—Figures in brackets represent percentage of total.

*Rate refers to Jamaica.

§ Tea consigned from British India to Ceylon is almost entirely transhipped at Colombo to other Countries and does not, therefore, appear in the Ceylon Custom returns as import into Ceylon.

The total exports during 1933-34 amounted to 318 million lbs. as compared with 379 million lbs. in the preceding year, a fall of 16 per cent. The share of the United Kingdom was 276 million lbs. in 1933-34 as against 331 million lbs. in 1932-33. The share of all the countries granting preference remained at 88 per cent. in both years and that of the other countries at 12 per cent. In other words, there has been no diversion of trade as a result of the preference. The total trade of course could not increase under the Export Restriction Agreement.

The following table gives the imports of tea into the United Kingdom›

Imports of tea into the United Kingdom.

Lbs. (000).

	Total.	India.	Empire countries.	Foreign countries.
1929	559,168	306,735	462,623	96,545
1930	541,038	290,183	445,045	95,993
1931	535,446	276,963	438,840	96,606
1932	565,962	311,964	486,781	79,181
		(55%)	(86%)	(14%)
1933	504,711	279,003	431,823	72,888
		(55%)	(86%)	(14%)

N.B.—Figures in brackets represent percentages of total.

The total imports of tea during 1933 amounted to a little under 505 million lbs. as compared with 566 million lbs. in 1932. This fall was clearly the result of the Export Restriction Scheme. India's share in 1933 was 279 million lbs. as compared with 312 million lbs. in the preceding year. The percentage share which India enjoyed remaind almost the same in the two years being a little over 55 per cent. The share of Ceylon also declined from 172 million lbs. in 1932 to 148 million lbs. in 1933, a proportionate fall of almost equal size. The share of the Empire countries remained constant at 86 per cent. and that of non-Empire countries at 14 per cent. Thus it is obvious that preference has in no way affected the distribution of the trade in the United Kingdom. The reduction in the total imports was proportionately distributed over all the suppliers.

The following table gives the market quotations for tea in India and the United Kingdom.

Market Quotations for Tea.

	India. Calcutta. Sale average. (a) Per lb.			United Kingdom. London. Northern India. Per lb.		Ceylon. Per lb.		Java. Per lb.	
	Rs.	a.	p.	s.	d.	s.	d.	s.	d.
1932, January ..	0	5	6	0	10·57 (100)	1	1·16 (125)	0	7·79 (74)
February ..	0	4	8	0	10·75 (100)	1	0·10 (113)	0	7·99 (74)
March ..	Closed.			0	10·08 (100)*	1	3·87 (157)*	0	7·39 (73)*
April ..	Closed.			0	9·89 (100)†	1	5·96 (182)†	0	7·66 (78)†
May ..	Closed.			0	8·30 (100)	1	2·04 (169)	0	6·35 (77)
June ..	0	5	6	0	6·82 (100)	0	7·35 (108)	0	4·56 (67)
July ..	0	5	10	0	7·58 (100)	0	8·39 (111)	0	5·04 (66)
August ..	0	6	0	0	10·50 (100)	0	8·22 (78)	0	5·22 (50)
September ..	0	4	4	0	10·75 (100)	0	10·05 (93)	0	4·74 (44)
October ..	0	5	1	0	10·75 (100)	1	0·75 (119)	0	6·40 (60)
November ..	0	5	0	0	8·78 (100)	0	10·60 (121)	0	6·67 (76)
December ..	0	4	7	0	7·31 (100)‡	0	8·81 (121)‡	No sale‡.	
1933, January ..	0	4	11	0	9·34 (100)	0	10·85 (116)	0	6·49 (69)
February ..	0	5	8	0	11·18 (100)	1	3·56 (139)	0	6·67 (60)
March ..	Closed.			0	9·98 (100)	0	11·97 (120)	0	7·15 (72)
April ..	Closed.			0	9·56 (100)	0	11·47 (120)	0	7·73 (81)
May ..	Closed.			0	9·59 (100)	0	11·20 (117)	0	6·88 (72)
June ..	0	7	6	0	9·56 (100)	0	11·16 (117)	0	8·03 (84)
July ..	0	10	0	0	11·06 (100)	1	1·79 (125)	0	8·86 (80)
August ..	0	9	10	1	3·90 (100)	1	3·80 (99)	0	8·94 (56)
September ..	0	8	4	1	3·55 (100)	1	4·84 (108)	0	9·73 (63)
October ..	0	9	1	1	1·76 (100)	1	4·98 (123)	0	10·77 (78)
November ..	0	9	2	1	0·61 (100)	1	2·80 (117)	0	11·28 (89)
December ..	0	10	4	1	1·84 (100)	1	3·36 (111)	No sale.	
1934, January ..	0	11	9	1	3·27 (100)	1	4·12 (106)	1	0·53 (82)
February ..	0	10	9	1	2·79 (100)	1	3·81 (107)	1	0·86 (87)
March ..	..			1	1·74 (100)	1	2·64 (107)	No sale.	

(a) Middle of month; with export rights from June, 1933.

* Week ending March 22nd, 1932.

† Week ending April 14th, 1932.

‡ Week ending Dec. 20th, 1932.

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices of tea in India recorded an enormous increase from the beginning of new season 1933 as compared with the previous season. The tea season generally commences in June. A similar increase was noticeable in London also but prices did not rise to the same extent as in India. This meant in other words that India could sell in United Kingdom a proportionately equal amount of tea at better prices. This result must have been made possible, to a certain extent, by the preference she received from the United Kingdom.

The following table gives the production of tea in India, Ceylon and the Dutch East Indies. In the case of the two latter countries, figures of actual production are not available and the exports figures only are given.

Production of Tea.

Lbs. (000).

——	India.	Ceylon. (a)	Dutch East Indies. (a)
1928-29	404,153	236,222	160.296
1929-30	432,842	251,059	166,283
1930-31	391,081	242,596	158,380
1931-32	394,084	243,457	178,880
1932-33	433,669	252,292	180,261

(a) Export figures only.

As has been noted, however, preference is not permitted to produce any effect on production as according to the Tea Restriction Scheme there can be no expansion of production beyond the ½ per cent. limit allowed.

COIR YARN AND COIR MATS AND MATTINGS.

In the opinion of the Delegation while there may be some expansion of demand for the Indian product under this item as a result of the preference, the chief importance lay in the fact that it secures trade against actual or potential competition and ensures the maintenance of the position which India has already acquired in the United Kingdom market. There is a considerable trade in these articles from Travancore and the figures for that State have to be included to arrive at the total exports from India. The Travancore figures are partly given in weight and partly in yardage. The portion, however, given in yardage is a comparatively small one. Coir yarn and coir mats and mattings have been separately specified in the Indian trade accounts only since 1933-34. In earlier years these items were combined under one head "coir manufactures". Comparison with these years is therefore possible in the case of coir manufactures only. The following table gives the exports of coir manufactures from India including Travancore:—

Exports of Coir manufactures from India (including Travancore).

		Quantity in cwts. (000).				Value in R. (000).			
		Total.	United Kingdom.	Empire countries.	Foreign countries.	Total.	United Kingdom.	Empire countries.	Foreign countries.
Coir yarn, coir mats, mattings and other manufactures. ..	1930-31 ..	877+ 3·4 million yds.	231+2·8 million yds.	274+3·1 million yds.	603+0·3 million yds.	1,91,42	75,80	85,88	1,05,54
	1931-32 ..	886+ 5·0 million yds.	288+ 4·4 million yds.	319+4·6 million yds.	567+0·4 million yds.	1,90,12	98,75	1,06,31	83,81
	1932-33 ..	779+ 3·0 million yds.	193 (25%)+ 2·2 million yds. (73%)	220 (28%)+ 2·6 million yds. (87%)	559 (72%)+ 0·4 million yds. (13%)	1,29,07	53,54	61,66	67,41
	1933-34 ..	961+ 3·9 million yds.	270 (28%)+ 3·0 million yds. (77%)	318 (33%)+ 3·6 million yds. (92%)	643 (67%)+ 0·3 million yds. (8%)	1,51,55	62,83	75,02	76,53
Coir yarn only ..	1933-34	762	128	163	599	81,24	14,09	17,67	63,57
Coir mats and mattings.	1933-34 ..	184+ 3·9 million yds.	129+3·0 million yds.	140+3·6 million yds.	44+0·3 million yds.	64,64	44,19	52,70	11,94

Note.—Figures in brackets represent percentages of total exports.

The total exports of coir manufacutures in 1933-34 amounted to 961 thousand cwts. as compared with 779 thousand cwts. in the preceding year and 886 thousand cwts. in 1931-32. The total exports thus show a considerable increase over the preceding two years. The share of the United Kingdom in 1933-34 amounted to 270 thousand cwts. or 28 per cent. of the total exports. In 1932-33 the United Kingdom purchased 193 thousand cwts. or 25 per cent. of the total exports. It can thus be seen that the actual trade as well as the percentage share of the United Kingdom has increased from the preceding year. It has to be noted, however, that in 1931-32 the consignments to the United Kingdom amounted to 288 thousand cwts. or 32½ per cent. of the total exports. The exports in 1933-34 were both absolutely and relatively less than those in 1931-32. Taking the statistics of the last two years, however, it appears that the preference has enabled India to increase her share in the United Kingdom trade and bring it almost to the level of 1931-32.

Figures of imports into the United Kingdom are separately available for coir yarn and coir mats and mattings. These figures cannot be combined, as coir yarn is given in cwts. whereas mats and mattings are recorded in square yards. The two have to be treated separatetly therefore when considering the imports into the United Kingdom.

The following table gives the imports of coir yarn into the United Kingdom :—

Imports of coir yarn into the United Kingdom.

—	Total imports.	From India.	From Ceylon & Dependencies.	From All Empire Countries.	From Belgium.	From All Foreign Countries.
			Quantity in Cwts. (000).			
1929	483	428	41	473	6·2	10
1930	487	447	31	478	4·3	9
1931	451	403	43	446	2·2	5
1932	216(100%)	199(92·1%)	16(7·4%)	215(99·5%	0·4	1 (0·5%)
1933	148(100%)	125(84%)	23(16%)	148(100%)	..	..
			Value in £ (000).			
1929	705	619	63	690	9·7	15
1930	702	644	44	688	6·6	14
1931	576	514	55	569	3·0	7
1932	231	213	16	230	0·4	1
1933	136	116	20	136	..	..

The total imports of coir yarn in 1933 amounted to 148 thousand cwts. as compared with 216 thousand cwts. in 1932 and 451 thousand cwts. in 1931. It is clear that the trade in this article receded very considerably in the last two years. India's share in 1933 amounted to 125 thousand cwts. or 84 per cent. of the total imports. In 1932, India sent 199 thousand cwts. or 92 per cent. of the total amount purchased by the United Kingdom. India's share has been nearly 90 per cent. in most of the years. The slight set back in 1933 is due to proportionately larger consignments from Ceylon as a result of more favourable price parity of Ceylonese exports as compared with those from India. Ceylon also receives preference in the United Kingdom.

The following table gives the imports of coir mats and mattings into the United Kingdom.

Imports of coir mats and mattings into the United Kingdom.

	Quantity in Sq. yds. (000).					Value in £.(000).				
	Total imports.	India.	All Empire countries.	Belgium.	All foreign countries.	Total Imports.	India.	All Empire countries.	Belgium.	All foreign countries.
1929	6,136	4,572	4,586	767	1,550	604	438	439	95	165
1930	6,107	4,766	4,813	574	1,294	605	459	462	76	143
1931	6,563	5,332	5,383	678	1,180	601	463	466	88	135
1932	6,962 (100%)	6,817 (98%)	6,825 (98%)	130	137 (2%)	503	484	485	16	18
1933	8,497 (100%)	8,385 (99%)	8,390 (99%)	101	107 (1%)	540	525	526	13	14

The total imports into the United Kingdom in 1933 amounted to 8·5 million sq. yds. as compared with nearly 7 million sq. yards in the previous year and 6·6 million sq. yards in 1931. Thus the imports have increased very considerably in 1933 as compared with the two previous years. India's share in the trade was 8·4 million sq. yds. in 1933 as against 6·8 million sq. yds. in the previous year and 5·3 million sq. yds. in 1931. The percentage share of India in 1933 also showed a small increase from 98 per cent. to 99 per cent. Thus, preference has helped India to increase her trade and practically to eliminate whatever competition there was from other countries.

The following table gives the market quotations for coir yarn in the United Kingdom:—

Market quotations for Coir yarn in United Kingdom.

	London.			
	Cochin Superior.		Ceylon Fine and Superior.	
	Per ton.		Per ton.	
	£. s. d.		£. s. d.	
1932 January	28 0 0	(100)	18 10 0	(77)
	to		to	
	33 0 0	(100)	22 10 0	(69)
February	Do.		Do.	
March	29 0 0	do	22 10 0	(78)
	to		to	
	31 10 0	do	30 0 0	(95)
April	27 10 0	do	20 0 0	(72)
	to		to	
	29 10 0	do	29 0 0	(98)
May	26 0 0	do	22 0 0	(85)
	to		to	
	28 0 0	do	28 0 0	(100)
June	25 0 0	do	21 10 0	(86)
	to		to	
	27 0 0	do	27 0 0	(100)
July	24 15 0	do	21 0 0	(89)
	to		to	
	26 15 0	do	26 0 0	(97)
August	25 10 0	do	Do.	do.
	to			
	28 0 0	do		
September	Do.	do	Do.	do
October	24 15 0	do	Do	do
	to			
	27 10 0	do		
November	24 5 0	do	21 0 0	(86)
	to		to	
	27 0 0	do	25 15 0	(96)
December	24 5 0	do	20 10 0	(85)
	to		to	
	27 0 0	do	25 0 0	(93
1933 January	Do		20 0 0	(82)
			to	
			24 15 0	(92)
February	24 0 0	do	20 0 0	(83)
	to		to	
	26 15 0	do	24 10 0	(91)
March	24 5 0	do	20 0 0	(86)
	to		to	
	27 0 0	do	24 5 0	(90)
April	Do.		Do.	
May	Do.		Do.	
June	Do.		Do.	
July	Do.		Do.	

Market quotations for Coir yarn in United Kingdom—contd.

	London.							
	Cochin Superior.				Ceylon Fine and Superior.			
	Per ton.				Per ton.			
	£	s.	d.		£	s.	d.	
1933 August	24	5	0	(100)	20	0	0	(86)
	to				to			
	27	0	0	(100)	24	5	0	(90)
September	Do.				Do.			
October	Do.				Do.			
November	25	0	0	do	19	10	0	(78)
	to				to			
	30	0	0	do	23	10	0	(80)
December	Do.				Do.			
1934 January	Do.				Do.			
February	28	0	0	do	23	0	0	(82)
	to				to			
	33	0	0	do	27	0	0	(82)
March	30	0	0	do	25	0	0	(83)
	to				to			
	35	0	0	do	28	0	0	(80)

Prices for the Cochin variety in London were on a lower level in 1933 as compared with 1932. The parity was, however, against Indian coir yarn and in favour of Ceylon coir yarn. This explains the slight advance noticed in the imports of coir yarn into the United Kingdom from Ceylon.

COTTON YARN.

Preference has been granted in the United Kingdom and in Ceylon on all counts. The total export trade under this item is very small in relation to the production and consumption at home. India has been producing 900 million lbs. and more in the last three years. Her total exports in the last two years have been round about 15 million lbs. or less than 2 per cent. Apart from this, exports to the countries granting preference are of still smaller dimensions amounting to slightly over half a million lbs. in 1933-34, *i.e.*, less than one-tenth of 1 per cent.

The following table gives the exports of cotton twist and yarn from India:—

Exports of Cotton Twist and Yarn.

	Margin of preference.	Unit of quantity.	Quantity			Value.		
			1931-32.	1932-33.	1933-34.	1931-32 R(000).	1932-33 R(000).	1933-34 R(000).
*United Kingdom ..	10%	lbs. (000)	151	198	440	46	65	135
Ceylon	10%	,,	139	136	172	69	69	72
Total of trade with countries—								
Granting preference ..		..	290	334(2%)	612(4%)	1,15	1,34	2,07
Not granting preference		..	21,753	14,774(98%)	15,776(96%)	1,26,71	77,31	79,65
Grand Total ..		..	22,043	15,108(100)	16,388(100)	1,27,86	78,65	81,72

*The exports to the United Kingdom consist almost entirely of counts upto 40's grey, unbleached.

The total exports during 1933-34 amounted to 16 million lbs. as compared with 15 million lbs. in the preceding year and 22 million lbs. in 1931-32. Exports to the United Kingdom increased from 198 thousand lbs. in 1932-33 to 440 thousand lbs. in 1933-34, and those to Ceylon from 136 thousand lbs. to 172 thousand lbs. Thus, there has been an increase of exports to countries granting preference. But this is such a small part of the total trade that it is very hard to say whether this is due to preference or some other cause.

The following table gives the imports of cotton yarn, grey (unbleached), up to 40s into the United Kingdom :—

Imports of cotton yarn (Grey, unbleached) upto 40s into the United Kingdom.

	Total.	India.	Empire. countries.	Foreign countries.
	Lbs. (000).			
1929	11,471	257	259	11,212
1930	8,856	154	155	8,701
1931	8,370	119	119	8,251
1932	1,308	157	187	1,121
1933	807	161	162	645

The total imports in 1933 amounted to 807 thousand lbs. as compared with 1,308 thousand lbs. in the preceding year and 8,370 thousand lbs. in 1931. Imports have thus gone down very considerably in the last two years. India's share was 157 thousand lbs. in 1932 or 12 per cent. of the total trade. In 1933 it amounted to 161 thousand lbs. or 20 per cent. of the total trade. It would appear that the United Kingdom finds it more advantageous to buy a larger proportion of her requirements from India as a result of the preference. The item is really small.

The following table gives the imports of cotton yarn and twist into Ceylon :—

Imports of cotton twist and yarn into Ceylon.

	Total.	India.	United Kingdom.	Empire. countries.	Foreign countries.
	Lbs. (000).				
1930	228	211	17	228	..
1931	136	133	3	136	..
1932	205	161	39	199	6
1933	202	142	54	196	6

Total imports in 1933 amounted to 202 thousand lbs. as compared with 205 thousand lbs. in the preceding year and 136 thousand lbs. in 1931. India's share in 1933 amounted to 142 thousand lbs. as against 161 thousand lbs. in the preceding year and 133 thousand lbs. in 1931. The percentage share of India appears therefore to have gone down considerably in the last three years. On the other hand, the share of the United Kingdom shows a considerable increase in the same period. India therefore seems to be losing ground to the United Kingdom in this market. Again this item is unimportant.

COTTON MANUFACTURES.

Preference to Indian cotton manufactures has been granted in the United Kingdom and some of the British Colonies. As far as the United Kingdom is concerned, the preference is of little value in the case of mill-made goods, but Indian handloom products have a small market in the United Kingdom. It must be noted, however, that the classes of these products imported into the United Kingdom are extremely specialised and preference is not likely to increase this specialised demand very largely. The position should, *prima facie* have been different as regards the British Colonies. In the last two years the Empire excluding the United Kingdom absorbed 50 per cent. of our total exports. Thus the Empire, chiefly the Colonies, are a very important market for our exports of cotton manufactures. It has to be noted, however, that the majority of the Colonies have granted no preference on cotton manufactures. The value of exports from India to the Empire countries, excluding the United Kingdom, amounted to nearly Rs. 119 lakhs. Out of this, the value of trade with the Colonies which granted preference was only a little over Rs. 5½ lakhs or less than 5 per cent. Thus the preference granted in the Colonies was of little importance. Ceylon which is one of our most important customers, accounting for 38 per cent. of the total trade to all Empire countries, granted us no preference. On the whole, therefore, the preference on cotton manufactures excluding twist and yarn both in the United Kingdom and the Colonies has been of little practical value to India.

The following table gives the exports of cotton manufactures excluding twist and yarn.

Exports of Cotton manufactures (excluding Twist and Yarn).

	Margin of preference.	Unit of Quantity	Quantity.			Value.		
			1931-32.	1932-33	1933-34.	1931-32.	1932-33.	1933-34.
						R(000).	R(000).	R(000).
U. K.	†20 per cent. *ad valorem.*	..	..	..	..	16,76	29,47	12,69*
F. M. States	Piecegoods—10 per cent. or 2½ cents. per yd. whichever is higher. Others—10%	..	..	.	..	3,45	2,50	3,46
Sierra Leone	10 per cent. *ad valorem.*	..	..	..	..	7	1,10	96
Mauritius	13 per cent. *ad valorem.*		..	..	..	2,27	1,49	87
Seychelles	10 per cent. *ad valorem.*	..	..	..	..	63	49	38
Fiji	15 per cent. *ad valorem.*	..	..	..	..	4	28	21*
Total of trade with countries—								
Granting preference		..				23,22	35,33	18,57*
Not granting preference		..				3,30,75	2,15,13	1,73,69*
GRAND TOTAL		..				3,53,97	2,50,46	1,92,26*

Note.—No preference has been given by Ceylon in cotton piecegoods.
* Includes figures for made-up cotton goods.
† The margin of preference in respect of carpets, etc., and lace and lace net is somewhat different.

Preference has been granted on cotton manufactures in the United Kingdom, Federated Malaya States, Mauritius and in several other small colonies. The total value of the exports of cotton manufactures has been falling off in recent years. Total exports in 1933-34 were valued at Rs. 192 lakhs as compared with Rs. 250 lakhs in the preceding year and Rs 354 lakhs in 1931-32. The share of the United Kingdom amounted to Rs. 12·7 lakhs in 1933-34 as against Rs. 29·5 lakhs in 1932-33 and Rs. 16·8 lakhs in 1931-32. As compared with the preceding year the share of the United Kingdom in 1933-34 decreased very considerably. The value of the total trade with countries granting preference was Rs. 18·6 lakhs in 1933-34 as against Rs. 35·3 lakhs in the previous year. Here again, the fall in the percentage share has been much greater than in the case of countries not granting preference. The preference therefore does not appear to have helped our trade with either the United Kingdom or the Colonies.

The following table gives the imports of cotton manufactures into the United Kingdom.

Imports of cotton manufactures (excluding twist and yarn) into the United Kingdom.

(In thousand £.)

	Total.	India.	Empire countries.	Foreign countries.
1929	9,583	181	269	9,314
1930	8,842	124	183	8,659
1931	8,305	47	102	8,203
1932	1,778	98	163	1,615
1933	2,013	84*	102*	832*

* Incomplete as it is exclusive of the value of lace and net, small wares, made-up cotton goods for household purposes, etc.

The total imports into the United Kingdom during 1933 were valued at £2,013,000 as compared with £1,778,000 in 1932 and £8,305,000 in 1931. The imports in the last two years have been on a much lower level than in the preceding year. India's share was £84,000 in 1933 as against £98.000 in 1932 thus registering a small decline.

HIDES AND SKINS.

Preference has been granted by the United Kingdom on leather, undressed. India's exports to the United Kingdom, however, consist predominantly of tanned hides and skins. Of India's total exports under tanned hides and skins, nearly 94 per cent. go to the United Kingdom. Further, India supplies 73 per cent. of the total imports into the United Kingdom of undressed leather. The Imperial Economic Committee which examined the question in 1930 came to the conclusion that there was no considerable opening under this item for the substitution of Empire for foreign produce. The Majority of the Special Committee of the Assembly attached special importance to this preference because tanned hides and skins are the products of an industry in India and any stimulus which could be applied to the export of manufactured

articles represents a measure of assistance to the process of conversion in India of his own raw materials into finished goods.

HIDES, TANNED.

The following table gives the exports of tanned hides from India :

Exports of Hides Tanned or Dressed from India.

	Margin of preference.	Quantity Cwts. (000).			Value Rs. (000).		
		1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34
United Kingdom ..	10% *ad val.*	200	177	260	2,08,24	1,59,29	2,38,34
Federated Malay States ..	10% ,,	..	..	..	..	..	..
Ceylon ..	10% ,,	..	..	..	5	3	7
Total trade with countries—Granting preference ..	..	200 (97%)	177 (98%)	260 (99%)	2,08,29	1,59,32	2,38,41
Not granting preference ..	..	6 (3%)	4 (2%)	3 (1%)	4,37	2,80	2,39
GRAND TOTAL ..	..	206 (100%)	181 (100%)	263 (100%)	2,12,66	1,62,12	2,40,80

As has been remarked above, the exports to the United Kingdom consist chiefly of tanned hides. The total exports under this item amounted to 263 thousand cwts. in 1933-34 as compared with 181 thousand cwts. in the preceding year and 206 thousand cwts. in 1931-32. Thus there has been a considerable increase in the trade. Exports to the United Kingdom were 200 thousand cwts. in 1931-32. They receded to 177 thousand cwts. in 1932-33 in spite of the preference. But in 1933-34 they rose to 260 thousand cwts. The percentage share of the United Kingdom in the total trade however went up from 97 in 1931-32 to 98 in 1932-33 and 99 in 1933-34. There are generally no exports to other countries. It is not possible to measure the effect of preference from these statistics as the United Kingdom is our sole customer.

The following table gives the imports of hides, undressed, (other than for soles) into the United Kingdom .

Imports of Hides, Undressed (other than for soles) into the United Kingdom.

(In thousand Cwts.)

	Total.	India.	Empire countries.	Foreign countries.
1931	297·5	188·6	195·6	101·9
1932	252·8	203·2	211·7	41·1
1933	267·8	235·2	241·4	26·4

The total imports of hides amounted to 268 thousand cwts. in 1933 as compared with 253 thousand cwts. in the preceding year and 297 thousand cwts. in 1931. Thus the trade in the year has not shown much expansion. India's share in 1931 was 189 thousand cwts. or 63 per cent., in 1932 it rose to 203 thousand cwts. or 80 per cent. and in 1933 it further advanced to 235 thousand cwts. or nearly 88 per cent. of the total imports. Thus India's share increased both absolutely and relatively. The share of foreign countries receded from 41 thousand cwts. to 26 thousand cwts., or from 16 per cent. to 10 per cent. This makes it quite clear that preference helped India to increase her trade in the United Kingdom at the cost of her foreign competitors, whose share is now only 10 per ceut.

The following table gives the market quotations for hides in India and the United Kingdom.

Market Quotations for Leather, Undressed, Hides (other than for sale).

	India. Bombay. Cow, Superior (tanned). Per lb. Rs.	A.	P.	India. Bombay. Cow, Inferior (tanned). Per lb. Rs.	A.	P.	United Kingdom. London. Bombay Light and small average weight 4 to 7 lbs. Per lb. s.	d.	United Kingdom. London. Bombay Heavy average weight 8 to 9½ lbs. Per lb. s.	d.
1932.										
January	0	11	0	0	9	6	1	4	1	3
February.. ..	0	11	0	0	9	6	1	4	1	2
March	0	8	6	0	6	6	1	4	1	2
April	0	8	0	0	6	6	1	5½	1	3¾
May	0	7	0	0	5	0	1	3½	1	1½
June	0	6	0	0	4	6	1	3	No quotation.	
July	0	5	6	0	4	9	1	3	1	0
August	0	5	6	0	4	6	1	3	1	0
September ..	0	7	0	0	5	0	1	2	1	0
October	0	6	0	0	5	0	1	2	1	0½
November ..	0	6	6	0	5	0	1	2	1	1
December ..	0	6	6	0	5	3	1	2	No quotation.	
1933.										
January	0	6	3	0	5	3	1	2	No quotation.	
February ..	0	6	6	0	5	6	1	1½	Do.	
March	0	7	3	0	6	3	1	1	0	11
April	0	7	0	0	6	0	1	1½	1	0
May	0	6	0	0	5	3	1	2	1	0½
June	0	6	6	0	5	6	1	4	1	2
July	0	6	6	0	5	6	1	4½	1	3
August	0	7	0	0	5	6	1	4½	1	3
September ..	0	6	6	0	5	3	1	4½	1	3½
October	0	6	6	0	5	3	1	4½	1	3
November ..	0	8	0	0	6	0	1	4	1	2½
December ..	0	8	0	0	6	0	1	3½	1	2½
1934.										
January	0	7	3	0	6	0	1	3	1	2
February ..	0	7	6	0	6	0	1	3	1	2
March	0	8	0	0	6	0	1	1½	1	2

Prices of hides and skins in England were on a downward trend from April 1932 till about March 1933. After that they began to rise. Prices in India with minor variations followed nearly a similar course.

SKINS, TANNED.

The following table gives the exports of tanned skins.

Exports of Skins, Tanned or Dressed.

	Margin of preference.	Quantity Cwts. (000). 1931-32.	1932-33.	1933-34.	Value Rs. (000). 1931-32.	1932-33.	1933-34.
United Kingdom	10% *ad val.*	95	97	116	2,76,79	2,76,99	2,91,78
Federated Malay States.	10% *ad val*	..	..	..	..	..	..
Ceylon	10% *ad val.*	0·1	0·4	0·2	17	13	24
Total trade with countries—							
Granting preference	.	95·1 (86%)	97·4 (88%)	116·2 (89%)	2,76,96	2,77,12	2,92,02
Not granting preference	..	14·9 (14%)	12·6 (12%)	14·8 (11%)	36,73	27,09	31,75
Grand total	..	110 (100%)	110 (100%)	131 (100%)	3,13,69	3,04,21	3,23,77

The total exports of tanned skins amounted to 131 thousand cwts. in 1933-34 as compared with 110 thousand cwts. in 1932-33, and in 1931-32. Thus the exports during 1932-33 show no increase over the preceding year. But in 1933-34 there has been a considerable advance in the export trade. Most of the exports go to the United Kingdom. The shipments to that country amounted to 95 thousand cwts. in 1931-32 or 86 per cent.; in 1932-33 they had risen to 97 thousand cwts. or 88 per cent. of the total trade. In 1933-34 the consignments to the United Kingdom increased to 116 thousand cwts. or nearly 89% of the trade. It is clear that preference has helped the trade with the United Kingdom in this article.

The following table gives the imports of skins, undressed, into the United Kingdom.

Imports of Leather, Undressed—Skins into the United Kingdom.

	Quantity Cwts. (000). Total imports.	From British India.	From Empire Countries.	From Foreign Countries.
1929	173·5	115·5	125·9	47·6
1930	159·4	101·6	117·3	42·1
1931	147·7	98·5	115·8	31·9
1932	141·8	102·1	119·5	22·3
1933	158·5	111·7	134·2	24·3

The total imports into the United Kingdom in 1933 amounted to 158·5 thousand cwts. as compared with 142 thousand cwts. in the preceding year and 148 thousand cwts. in 1931. Thus the trade shows some expansion in 1933 as compared with the two preceding years. India's share in 1931 was 98·5 thousand cwts. or 67 per cent. of the total imports; it rose to 102 thousand cwts. or 72 per cent. in 1932. In 1933 shipments from India advanced to 112 thousand cwts but the percentage share receded to 70. This was due to the share of other Empire countries expanding in 1933. On the whole however the preference has been beneficial to India.

The following table gives the market quotations for skins in India and the United Kingdom.

Market Quotations for Leather, Undressed, Skins.

	India. Bombay.		United Kingdom. London.	
	Skins Goat Superior (tanned).	Skins Goat Inferior (tanned).	Bombay Goat good tannage 12—16 lbs. firsts.	Bombay Sheep good tannage 8—10 lbs. firsts.
	Per lb.		Per lb.	
	Rs. a. p.	Rs. a. p.	s. d.	s. d.
1932.				
January	1 5 0	0 15 0	3 0	2 9
February	1 6 0	1 0 0	3 0	2 9
March	0 15 6	0 11 6	3 1	2 7
April	0 12 6	0 9 0	3 1	2 7
May	0 11 0	0 8 0	2 8	2 8½
June	0 9 6	0 7 6	2 1½	2 8
July	0 10 0	0 9 6	2 1½	2 8
August	0 10 0	0 8 6	2 0½	2 7
September	0 12 0	0 9 0	2 0½	2 7
October	0 12 0	0 9 6	2 1½	3 0
November	0 11 0	0 9 6	2 1½	3 0
December	0 11 0	0 9 0	2 3	2 11
1933.				
January	0 13 0	0 11 0	2 1½	2 9½
February	0 13 6	0 11 3	2 1½	2 9½
March	0 15 0	0 13 0	2 1	2 6
April	0 14 3	0 12 6	2 1	2 6
May	0 13 0	0 11 0	2 4	2 4
June	0 14 0	0 12 0	2 6	2 7
July	0 14 0	0 12 0	2 6	2 7
August	0 14 3	0 12 3	2 8	2 11
September	0 14 0	0 12 0	2 8	2 11
October	0 14 0	0 12 0	2 9	2 10
November	1 0 0	0 14 0	2 9	2 10
December	1 0 0	0 14 0	2 8	2 8
1934.				
January	0 15 0	0 13 0	2 9	2 8
February	0 15 0	0 13 0	2 9	2 8
March	0 14 0	0 12 0	2 7½	2 8

Prices of skins followed a course almost similar to that of hides. Prices in England declined from about April 1932 to March 1933. After that they began to rise. In India prices were on a high level in February 1932 after which they declined till the end of the year. Throughout 1933, however, there has been a recovery, prices in that year being, on balance, higher than in 1932.

JUTE MANUFACTURES.

The United Kingdom takes, on an average, only 8 per cent. of India's total exports under this item but the value of the trade is high. According to the Majority of the Special Committee of the Legislative Assembly the special value of this preference lies in the fact that it maintains Indian manufacturers *on equal terms* with the British manufacturers in the latter's home market and at the same time gives the Indian industry a preference against foreign jute manufactures. India had been facing some competition from the Continent in the United Kingdom market in regard to jute manufactures. Moreover the United Kingdom market is of importance to India. So long as the Indian jute mill industry is only working up to 45 to 50 per cent. of its capacity, any measure which can assist it to retain and develop a market such as exists in the United Kingdom must be of advantage to it. It must, of course, be clearly understood that the scope for expansion of exports or production afforded by this preference must be very moderate. It has, however, an insurance value in retaining the existing market to the industry.

The following table gives the value of exports of jute manufactures from India.

Exports of Jute Manufactures.

	Margin of preference.	Unit of quantity.	Quantity.			Value.		
			1931-32.	1932-33.	1933-34.	1931-32.	1932-33	1933-34.
						R(000)	R(000)	R(000)
United Kingdom ..	20% *ad valorem.*	..	..	..	..	1,86,40	1,74,61	1,60,22
Sierra Leone .. (Jute bags)	1s. per 100 lbs.	Tons (000)	..	..	0·7	7	31	155
British Guiana (Jute bags)	3% *ad valorem.*	Nos. (000)	1,064	1,834	2,075	408	581	479
Fiji (Jute bags) ..	15% *ad valorem.*	,,	198	240	269	56	70	70
Total of trade with countries—								
Granting preference	..	..	..	..	..	1,91,11	1,81,43	1,67,26
Not granting preference	..	..	..	..	..	21,01,32	19,89,75	19,70,23
GRAND TOTAL ..	..	..	..	..	..	21,92,43	21,71,18	21,37,49

India has received preference of 20 per cent. on all manufactures in the United Kingdom and for bags only at 1s per 100 lbs. in Sierra Leone, 3 per cent. in British Guiana and 15 per cent. in Fiji. The most important of these markets is the United Kingdom, followed by the British Guiana. The share of the United Kingdom is so predominantly large among countries granting preference that the share of the Colonies does not modify the result. The total value of exports in 1933-34 amounted to Rs. 21,37 lakhs as compared with Rs. 21,71 lakhs in the preceding year and Rs. 21,92 lakhs in 1931-32. The value of the total trade seems to be almost on the same level in the three years. On the other hand, the share of the United Kingdom has declined slightly since 1931-32. In that year it amounted to Rs. 1,86 lakhs or nearly 8·5 per cent. of the total trade. In 1932-33 it decreased to Rs. 1,75 lakhs or 8·1 per cent. and in 1933-34 it receded to Rs. 1,60 lakhs or 7·49 per cent. On the whole, it can be said, however, that the share of the United Kingdom was about 8 per cent. in the three years under consideration and there has not been any serious fluctuations as far as the percentage share was concerned. The various items comprising the head, jute piecegoods, have not moved together. Exports of gunny bags to the United Kingdom have declined by over a million in number though the percentage share of exports to the total trade remains unaffected. Jute sacks and bags have declined in quantity but the percentage share remains almost the same. Exports of gunny cloth show a decline of 6 million yds., the decline in percentage being nearly 1 per cent. From these figures it appears that India has been almost holding her own in the United Kingdom market. The preference has not helped her to increase her trade but probably without it the trade might not have been maintained at the existing level.

The following table gives the imports of jute piecegoods into the United Kingdom.

Imports of jute piecegoods into the United Kingdom.

[In cwts. (000)].

	Total.	India.	Empire countries.	Foreign countries.
1931	395	303	311	85
1932	368	358	364	4
1933	304	298	301	3

Imports during 1933 amounted to 304 thousand cwts. as compared with 368 thousand cwts. in 1932 and 395 thousand cwts. in 1931. Thus, imports have been decreasing consistently in the last few years. India's share was 358 thousand cwts. or 97·3 per cent. in 1932. With the decline in the total trade imports from India dropped to 298 thousand cwts. but the percentage share increased by nearly 1 per cent. India has captured the market in the last two years, imports to the United Kingdom from other countries being very small in dimensions. In the three years, 1929-1931, imports of jute piecegoods into England from foreign countries were of considerable magnitude accounting in 1931 for 21·5 per cent. of the total imports. Preference has thus reduced competition from other countries and to that extent enabled India to retain her market in the United Kingdom, and improve her percentage share of that market.

The following table gives the production of jute manufactures in India in 1932-33 and 1933-34.

Detailed statement of the Quantity and Description of jute manufactures produced in India.*

Description.		1932-33.	1933-34.
I. Twist and Yarn	tons	36,024	41,238
II. Manufactures—			
Canvas ..	tons	912	1,134
	yds.	1,711,713	2,064,381
Gunny Bags—			
(a) Hessian ..	tons	36,221	41,500
	No.	79,279,401	90,461,562
(b) Sacking ..	tons	543,459	512,806
	No.	521,516,289	488,196,667
Gunny Cloth—			
(a) Hessian ..	tons	260,867	280,565
	yds.	982,105,688	1,065,548,595
(b) Sacking ..	tons	22,013	24,744
	yds.	48,537,423	53,405,947
Other Manufactures including rope and twine	tons	3,140	4,056
Total ..	tons	902,636	906,043
	yds.	1,032,354,824	1,121,018,923
	No.	600,795,690	578,658,229

OILSEED CAKE.

The following table gives the exports of oilseed cake from India.

Exports of Oilseed Cakes.

	Unit of quantity.	Quantity.			Value.		
		1931-32.	1932-33.	1933-34.	1931-32. R(000).	1932-33. R(000).	1933-34. R(000).
United Kingdom *	Tons (000)	104	106	150	72,51	72,44	82,15
Total of trade with countries—							
Granting preference ..	„	104	106(37%)	150(53%)	72,51	72,44	82,15
Not granting preference .	„	187	181(63%)	137(47%)	128,17	124,07	82,57
Total Trade ..	„	291	287(100%)	287(100%)	200,68	196,51	164,72

* Margin of preference is 10 per cent. *ad valorem.*

The total exports of oil cake of all sorts during 1933-34 amounted to 287 thousand tons, the same as in the preceding year and only 4 thousand tons less than in 1931-32. The share of the United Kingdom in the exports, however, rose from 106 thousand tons in 1932-33 to 150 thousand tons in 1933-34, *i.e.*,

from 37 per cent. of the total trade to 53 per cent. On the other hand, exports to countries not granting preference declined by an equal amount from 181 thousand tons to 137 thousand tons or from 63 per cent. to 47 per cent. It appears therefore that in this case preference has led to a diversion of trade from other countries to the United Kingdom, the total trade remaining unchanged in volume. It is possible, however, that but for the preference in the United Kingdom the total trade might have fallen off and in that manner the preference may have had some insurance value.

The following table gives the imports of oilseed cakes and meal into the United Kingdom.

Imports of Oilseed Cakes and Meal into the U. K.

Tons (000).

	Total Imports.	From Br. India.	From Empire countries.	From Foreign countries.
1929	493	109	119	374
1930	455	107	111	344
1931	459	126	138	321
1932	423	101	121	302
1933	390	159	172	218

The total imports in 1933 amounted to 390 thousand tons as compared with 423 thousand tons in 1932 and 459 thousand tons in 1931. Imports therefore seem to be declining in the last three years. India's share in 1932 was 101 thousand tons or nearly 24 per cent. of the total imports. In 1933 India accounted for 159 thousand tons or nearly 41 per cent. Thus preference has enabled India to capture the United Kingdom market from her competitors to a large extent. But as has been remarked above this has been achieved not by a total increase of exports from India but by a diversion to the United Kingdom of exports which normally went to other countries. Presumably the diversion has been encouraged by a more profitable market in the United Kingdom than elsewhere.

PARAFFIN WAX.

The Special Committee of the Legislative Assembly were of opinion that this preference should be of value as the production of paraffin wax in Burma, the Punjab and Assam appeared to be increasing steadily, if not rapidly. India supplied 20 per cent. of the total requirements of the United Kingdom. The average quantity imported into the United Kingdom was larger than India's total exports in 1929-30. There is no appreciable competition within the Empire so that the potential additional market in the United Kingdom for Indian paraffin wax was substantial in the opinion of the Committee.

The following table gives the exports of paraffin wax from India.

Exports of Paraffin Wax.

	Margin of Preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32. R(000).	Value. 1932-33. R(000).	Value. 1933-34. R(000).
U. K.	10% *ad val.*	Tons	16,840	8,143	12,640	76,11	36,68	54,70
Federated Malay States	10% *ad val.*	,,	..	38	54	..	16	23
Total of trade with countries—								
Granting preference		,,	16,840 (33%)	8,181 (18%)	12,694 (23%)	76,11	36,84	54,93
Not granting preference.		,,	34,887 (67%)	37,052 (82%)	41,489 (77%)	1,55,63	1,65,04	1,73,98
Grand Total ..		,,	51,727	45,233	54,183	2,31,74	2,01,88	2,28,91

Preference has been granted to India in the United Kingdom and the Federated Malay States. Exports to the latter country, however, are insignificant. The total exports from India in 1933-34 amounted to 54 thousand tons as compared with 45 thousand tons in the preceding year and 52 thousand tons in 1931-32. The share of the United Kingdom amounted to 12,700 tons in 1933-34 as against 8,200 tons in 1932-33 and 16,800 tons in 1931-32. It is seen therefore that the exports in 1933-34 to the United Kingdom show a considerable increase over the preceding year though as compared with 1931-32 they are smaller.

The following table gives the imports of paraffin wax into the United Kingdom.

Imports of Paraffin Wax into the United Kingdom.

(In thousand cwts.)

	Total.	India.	Empire countries.	Foreign countries.
1931	1,312	491	491	821
1932	1,192	337	337	855
1933	1,046	213	214	832

The total imports into the United Kingdom in 1933 amounted to 1,046 thousand cwts. as compared with 1,192 thousand cwts. in 1932, and 1,312 thousand cwts. in 1931. Imports in the earlier years were even higher. Imports have therefore been diminishing during the last five years. India's share in 1932 amounted to 337 thousand cwts. In 1933 it went down to 213 thousand cwts. It will be seen from these figures, however, that they are much larger than the actual exports recorded in Indian accounts. The reason for this is that there is a large transit trade in this item in the United Kingdom. This transit trade is recorded under imports in the United Kingdom accounts, whereas in our accounts only the country to which the article is finally

consigned is recorded. The amount of transit trade can be seen from the following table. Figures for 1933 are not available.

Transit trade in Paraffin Wax in the U. K.

	Transit Trade.	
	Cwt. (000).	(000).
1928	194	267
1929	274	386
1930	252	353
1931	213	286
1932	67	96
1933	Not available.	

The position is somewhat obscure and in view of transit trade it is difficult therefore to draw any accurate conclusion from the import figures of the United Kingdom. On the whole, from the Indian export figures it appears that exports of paraffin wax to the United Kingdom have increased to some extent though they have not reached the level of earlier years. This is probably due however to the lower production of this item in the last three years.

The following table gives the production of paraffin wax (including candles) in India.

Production of Paraffin Wax in India.

	(In long tons).
1929	77,717
1930	82,053
1931	49,397
1932	49,470
1933	52,617 (*a*)

(*a*) Provisional.

The production in India in 1929 was 78 thousand long tons. It rose to 82 thousand long tons in the next year but in 1931 it was approximately 49 thousand long tons at which level it remained in the next two years. This lower production probably accounts for the lower level of the exports in 1932-33.

SPICES.

Preference has been granted in the United Kingdom, Seychelles and Fiji. The share of the two colonies is insignificant and need not be considered separately. The following table gives the exports of spices from India. There are considerable exports of spices from the State of Travancore and these have

to be added to the British India figures in order to arrive at total export figures from India.

Exports of Spices.

	Margin of Preference.	Unit of quantity.	Quantity. 1931-32.	1932-33.	1933-34.	Value. 1931-32. R (000).	1932-33. R (000).	1933-34. R (000).
United Kingdom	10% *ad val.*	Cwts. (000)	19	20	18	7,46	10,09	7,43
Seychelles ..	10% ,,	,,	·05	·03	·05	2	1	2
Fiji ..	15% ,,	,,	·4	·5	·4	11	17	11
Total trade with countries—								
Granting preference.	..	,,	19·45 (5%)	20·53 (6·0%)	18·45 (6%)	7,59	10,27	7,56
Not granting preference.	..	,,	357·55 (95%)	320·47 (94%)	291·55 (94%)	97,90	74,01	74,72
Grand Total	..	,,	377	341	310	1,05,49	84,28	82,28

The total export of spices in 1933-34 amounted to 310,000 cwts. as compared with 341,000 cwts. in the preceding year and 377,000 cwts. in 1931-32. The exports thus appear to have been falling off in the last three years. The share of the United Kingdom in 1933-34 was nearly 18,000 cwts. or 6 per cent. of the total trade. In 1932-33, the United Kingdom market absorbed 20,000 cwts. or 6 per cent. of the total exports from India. In 1931-32, however, consignments to the United Kingdom amounted to 19,000 cwts. or 5 per cent. of the total exports from India. Thus, exports in 1933-34 are considerably less than in the preceding year but comparable with those of 1931-32. The preference seems to have been of little value to India so far.

The following table gives the imports of spices into the United Kingdom.

Imports of Spices into the United Kingdom.

	Total. Cwts. (000).	India. Cwts. (000).	Empire countries. Cwts. (000).	Foreign countries Cwts. (000).
1931	256	40	186	70
1932	192	23	157	35
1933	252	25	189	63

The total imports of spices into the United Kingdom amounted to 252,000 cwts. in 1933 as against 192,000 cwts. in 1932 and 256,000 cwts. in 1931. The imports in 1933 are much larger than in the preceding year and comparable with the 1931 imports. India's share in 1933 amounted to 25,000 cwts. or slightly below 10 per cent. of the total imports. In 1932, India sent 23,000 cwts. or 12 per cent. of the total trade. India's share in 1931 and 1929 was larger. It must be noted, however, that there is a considerable transit trade in pepper and, to a small extent, in ginger,—two of the important items in India's export trade in spices—with the United Kingdom. This possibly accounts for the generally larger imports from India registered in the United Kingdom than the exports to the United Kingdom recorded in the Indian accounts. Again there is no evidence that the preference has had much effect on India's trade in this item.

The following tables give the market quotations in the United Kingdom for pepper and ginger.

Pepper.—Prices of pepper were generally on a lower level in 1933 as compared with the preceding year. The parity of Indian pepper with that of Singapore was in favour of the Indian variety in 1933 as compared with 1932.

Market quotations for Pepper Black (per lb.) in London.

End of month.	1932. Alleppey and Tellicherry.	1932. Singapore.	1933. Alleppey and Tellicherry.	1933. Singapore.	1934. Alleppey and Tellicherry.	1934. Singapore.
	d.	d.	d.	d.	d.	d.
January	.. 7¼ (100)	7¼ (100%)	6¼ (100)	6 (96)	5½ (100)	5½ (100)
February ..	.. 7-3/8 (100)	7¼ (98%)	5¾ (100)	5¾ (100)	53-/8 (100)	5¼ (98)
March	.. 7-3/8	6-7/8 (93%)	5¾	5¾ (100)	5¼ (100)	5¼ (100
April	.. 7¼	6½ (90)	5½	5½ (100)	..	..
May	.. 7¼	6½ (90)	5½	5½ (100)	..	..
June	.. 7¼	No quotation	5¾	5½ (96)	..	..
July	.. 7	6⅜ (91)	5¼	5¼ (100)	..	..
August ..	.. 7	6¼ (89)	5¼	5¼ (100)	..	..
September ..	.. 7¼	6¼ (86)	5¼	5 (95)	..	..
October ..	.. 7	6¼ (89)	5¼	4-7/8 (93)	..	..
November ..	.. 6¾	6 (82)	5¼	4¾ (91)	..	..
December ..	.. 6½	6 (92)	5	4¾ (95)	..	..

N.B.—Figures in brackets represent parities assuming the price of Indian variety to be equal to 100.

Ginger.—Prices of ginger in 1933 were considerably lower than in 1932. The parity was in favour of the Indian variety in 1933 as compared with the previous year.

Market quotations for Ginger (per cwt.) in London.

End of Month.	1932.			1933.			1934.		
	Cochin rough washed.	Japanese ordinary to medium.	African West Coast.	Cochin rough washed.	Japanese ordinary to medium.	African West Coast.	Cochin rough washed.	Japanese ordinary to medium.	African West Coast.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
January ..	.. 37 6	40 0	29 6 (79)	24 0	35 0 (146)	20 0 (83)	25 0	30 0 (120)	20 0 (80)
February ..	.. 37 6	40 0	28 0 (75)	24 0	35 0	19 0 (79)	26 0	20 0 (115)	20 6 (79)
March ..	.. 37 6	40 0	26 0 (69)	22 0	30 0 (136)	18 0 (82)	26 0	30 0	20 0 (77)
April ..	.. 37 6	40 0	24 6 (65)	22 0	30 0	17 6 (80)	..	..	..
May ..	.. 27 6	37 6 (136)	23 6 (85)	23 0	30 0 (130)	18 6 (80)	..	..	..
June ..	.. 27 6	37 6	22 6 (82)	23 0	30 0	19 0 (83)	..	..	..
July ..	.. 28/- to 30/-	35 0 (121)	22 6 (78)	24 0	30 0 (125)	21 6 (90)	..	..	..
August ..	.. 28/- to 30/-	35 0	23 6 (81)	24 6	30 0 (122)	22 6 (92)	..	..	..
September ..	.. 28/- to 30/-	35 0	24 0 (83)	24 0	30 0 (125)	22 6 (94)	..	..	..
October ..	.. 28/- to 30/-	35 0	24 0	24 6	30 0 (122)	21 6 (88)	..	..	..
November ..	.. 28/- to 30/-	35 0	24 0	23 6	30 0 (128)	20 0 (85)	..	..	..
December ..	.. 28/- to 30/-	35 0	20 0 (69)	23 6	30 0	19 0 (81)	..	..	..

N.B.—Figures in brackets represent parties assuming the price of the Indian variety to be equal to 100.

The following table gives the area under condiments and spices in India. Figures for 1933-34 are not yet available and even the figures of 1932-33 are provisional. As regards the Indian States, no figures are available after 1932-.

Area under condiments—spices.

	British India Acres. (000)	Indian States Acres. (000)
1928-29	1,481	606
1929-30	1,307	426
1930-31	1,370	382
1931-32	1,594	405*
1932-33	1,551*	Not available.

* Provisional.

The area in British India was higher in 1931-32 and 1932-33 than in earlier years. *As figures for 1933-34 are not available, it is not possible to examine* the effect of preference, if any, on the area under cultivation.

TEAK AND OTHER HARDWOODS.

Preference has been granted in the United Kingdom on all sorts of hardwoods from India. As far as India is concerned, however, teak is by far the most important type of hardwood exported, the exports of other hardwoods being quite insignificant. Figures for the latter have been recorded only from 1933-34. The Imperial Economic Committee estimated that out of the total imports into the United Kingdom from India 95 per cent. represented teak wood and 5 per cent. other woods. The exports to all countries in 1933-34 of other hardwoods were a little over 600 cubic tons in a total of 27,000 cubic tons or slightly over 2 per cent. As far as India is concerned therefore the preference, amounts to a preference mainly on teak. Under this item, India supplies a very large proportion of imports into the United Kingdom. The preference therefore will be of value to India if not in extending her market greatly at least in maintaining it.

The following table gives the exports of teak and other hardwoods from India.

Exports of teak and other hardwoods.

	Margin of preference.	Unit of quantity.	Quantity.			Value. Rs. (000).		
			1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
United Kingdom	10% *ad val.*	Cubic tons (000).	13(*a*)	12(*a*)	17	34,26(*a*)	28,37(*a*)	39,88
Ceylon	10% *ad val.*	Do.	1(*a*)	1(*a*)	1	1,87(*a*)	1,48(*a*)	85
Total of trade with countries—				(76·0%)	(67%)			
Granting preference ..		..	14(*a*)	13·0(*a*)	18	36,13(*a*)	29,85(*a*)	40,73
Not granting preference ..		..	8(*a*)	4·0(*a*)	9	20,48(*a*)	10,33(*a*)	21,33
Grand Total ..		..	22(*a*)	17(*a*)	27(*b*)	56,61(*a*)	40,18(*a*)	62.06

(*a*) Figures for teak wood only.

(*b*) Other hardwoods a little over 600 cubic tons.

NOTE.—Figures in brackets represent percentages of total.

Preference has been granted to India in the United Kingdom and Ceylon. The share of the latter country is comparatively small. The total exports to all countries in 1933-34 amounted to 27,000 cubic tons as compared with 17,000 cubic tons in the preceding year and 22,000 cubic tons in 1931-32. Thus the total trade has increased considerably. The share of the United Kingdom in 1933-34 amounted to 17,000 cubic tons as against 12,000 cubic tons in the previous year and 13,000 cubic tons in 1931-32. Even making an allowance for the fact that the figure for 1933-34 includes other hardwoods it will be seen that consignments to the United Kingdom have increased considerably in 1933-34 as compared with the two preceding years. The percentage share of the countries granting preference, however, showed a decline from 76 per cent. in 1932-33 to 67 per cent. in 1933-34. In other words, India's trade with other countries grew in greater proportion than her trade with the countries granting preference.

The following table gives the imports of teakwood into the United Kingdom.

Imports of Teakwood into the United Kingdom.

[Cubic feet (000)].

	Total.	India.	British Empire.	Foreign countries.
1931	1,187	869	915	272
1932	826	731	760	66
1933	863	782	802	61

The total imports of teakwood into the United Kingdom amounted to 863 thousand cubic feet in 1933 as compared with 826 thousand cubic feet in the preceding year and 1,187 thousand cubic feet in 1931. Imports in the earlier years were even much higher. It appears that the import trade under this item has been diminishing very considerably in the last few years. India's share in 1932 amounted to 731 thousand cubic feet or 88 per cent.; by 1933 it had risen to 782 thousand cubic feet or 91 per cent. As compared with the preceding year therefore it appears that India has improved her position both relatively and absolutely, and this improvement must have been due in great measure to the preference.

The following table gives the imports into the United Kingdom of hard-wood, other sorts.

Imports of other sorts of Hardwood into the United Kingdom.

[Cubic feet (000)]

	Total.	India.	Empire countries.	Foreign countries.
1931..	15,288	109	5,149	10,139
1932..	15,309	120	6,129	9,180
1933..	16,352	82	6,293	10,059

It will be seen that the imports from India under this item are insignificant and that India's position has deteriorated both absolutely and relatively. The preference in this respect has been of little value to India.

Market Quotations for Teak woods.

	Calcutta. Selected Indian 1st class 40 c.ft. average. Ton of 50 c.ft. Rs. A. P.
1932.	
January	255 0 0
February	255 0 0
March	255 0 0

Market Quotations for Teak woods—contd.

	Calcutta. Selected Indian 1st class 40 c.ft. average. Ton of 50 c.ft. Rs. A. P.
1932.	
April	250 0 0
May	250 0 0
June	250 0 0
July	230 0 0
August	230 0 0
September	230 0 0
October	230 0 0
November	230 0 0
December	230 0 0
1933.	
January	235 0 0
February	230 0 0
March	230 0 0
April	230 0 0
May	230 0 0
June	230 0 0
July	230 0 0
August	230 0 0
September	230 0 0
October	230 0 0
November	230 0 0
December	230 0 0
1934.	
January	230 0 0
February	230 0 0
March	230 0 0

Prices in 1933 were on a slightly lower level than in the preceding year.

WOOLLEN CARPETS AND RUGS.

Preference of 20 per cent. has been granted in the United Kingdom and 10 per cent. in Ceylon and the Federated Malaya States. The largest portion of our exports goes to the United Kingdom.

The following table shows the exports of woollen carpets and rugs in the last three years.

Exports of woollen carpets and rugs.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32. R (000).	Value. 1932-33. R (000).	Value. 1933-34. R (000).
United Kingdom	20%* *ad val.*	Lbs. (000)	3,537	4,283	6,710	40,62	44,62	56,46
Ceylon	10% *ad val.*	,,	443	468	519	1,78	1,97	1,90
Federated Malay States.	10% *ad val.*	,,	5	2	2	6	3	3
Total of trade with countries—								
Granting preference..		,,	3,985 (84%)	4,753 (80%)	7,231 (85%)	42,46	46,62	58,42
Not granting preference.		,,	782 (16%)	1,210 (20%)	1,221 (15%)	14,26	16,88	14 25
Grand Total ..		..	4,767	5,963	8,452	56,72	63,50	72,67

* The rate has been revised and the present duty on non-Empire products is 4s. 6d per sq. yd. on "handmade carpets, carpeting, floor-rugs, floor-mats and matting" and 9d. per sq. yd. or 20% *ad valorem* whichever is higher, on "other kinds" of carpets, etc. The Empire products are admitted free.

The total exports of carpets and rugs in 1933-34 amounted to 8,452 thousand lbs. as compared with 5,963 thousand lbs. in the preceding year and 4,767 thousand lbs. in 1931-32. Thus the exports have considerably increased during the last three years. The share of the United Kingdom was 6,710 thousand lbs. in 1933-34 as against 4,283 thousand lbs. in 1932-33 and 3,537 thousand lbs. in 1931-32. Thus the share of the United Kingdom has also greatly risen in the same period. The total percentage share of the trade with countries granting preference was 80 in 1932-33 ; by 1933-34 it had risen to 85. It appears that preference has helped exports under this item both to the United Kingdom and to Ceylon.

The following table gives the imports of woollen carpets and rugs into the United Kingdom.

Imports of Woollen Carpets and rugs into the United Kingdom.

(In thousand Sq. Yards.)

	Total.	India.	Empire Countries.	Foreign Countries.
1931	3,554	760	802	2,752
1932	2,572	1,073	1,107	1,465
1933	2,505	1,277	1,311	1,194

The total imports during 1933 amounted to 2,505 thousand sq. yds. as compared with 2,572 thousand sq. yds. in 1932 The imports in the earlier years were on a higher level. India's share in the total trade in 1932 was 1,073 thousand sq. yds. or a little under 42 per cent ; in 1933 it rose to 1.277 thousand sq. yds. or 51 per cent. The share of other countries registered a decline. This clearly shows that India advanced her position in the United Kingdom market as a result of the preference.

The above two tables show clearly how preference has benefited India. The reports received from various local authorities more or less support this view. The Director of Industries, United Provinces, reports that the Ottawa Agreement has been of definite benefit to the carpet trade of the United

Provinces. Similarly, the Director of Industries, Punjab, observed that the preference granted to Indian woollen carpets and rugs in the United Kingdom has given beneficial results, especially in the export of cheap grade carpets. The Amritsar carpets found their way to the United Kingdom in larger quantities than before the preference. Madras does not seem to have profited to the same extent as the United Provinces and the Punjab but there are special reasons for this fact, the chief among which is the use of vacuum cleaners in Great Britain which pull out the threads of the loosely woven carpets of Ellore. On the whole therefore the exports of woollen rugs and carpets have benefited greatly as a result of the preference.

Production figures for this item are not available.

BRAN AND POLLARD AND RICE MEAL AND DUST.

It has been found convenient to deal with the above items together as it is somewhat difficult to draw a clear-cut line of demarcation between the two, especially in view of the fact that there is a divergence of classification between the Indian and the United Kingdom trade returns for these articles.

The chief importance of the preference, as envisaged by the Indian Delegation, is that, it secures the trade in these commodities against actual or potential competition and ensures the maintenance of the position which India has already acquired in the United Kingdom markets.

Taking India's exports first, it will be seen from the table that follows that the United Kingdom is the principal market for India's exports and that the increase in the total shipments recorded in 1933-34 has been wholly absorbed by that country. The other Empire countries also shared to a small extent in this increase at the expense of the Foreign consumers.

Exports from British India.

Tons (000).

	Total Exports.	To United Kingdom.	To Empire Countries.	To Foreign Countries.
1928-29	257	193	222	35
1929-30	247	187	229	18
1930-31	260	166	241	19
1931-32	280	181	217	63
1932-33	223	178	196	27
1933-34	254	211	242	12

Due to larger importations of bran and pollards from the Argentine and the Continent and of rice meal and dust from British India the combined supply of

these commodities in the United Kingdom was greater in 1933-34 than a year ago.

Imports into United Kingdom.

[Tons (000)].

	Total.	From India.	From Empire Countries.	From Foreign Countries.
1928	415·3	179·9	190·6	224·7
1929	389·1	205·8	212·4	176·7
1930	261·7	166·7	169·1	92·6
1931	391·6	159·1	181·6	210·0
1932	524·9	184·1	261·4	263·5
1933	545·0	196·6	251·6	293·4

Although there was a set-back in the imports from the Empire sources India raised her contribution by 12,000 tons. The increase in the foreign supplies was much greater possibly on account of the comparatively low prices of wheat and other grains in these countries. The preference would appear to have been of some assistance to India in maintaining her relative position as a supplier to the United Kingdom market.

TOBACCO.

The position of Empire tobacco in the United Kingdom market before the Ottawa Agreement was reached had been fully examined by the Imperial Economic Committee. According to that Committee's report the total imports of tobacco into the United Kingdom may be classified into pipe tobacco and cigarette tobacco. Imports of the latter from Empire sources were negligible, whereas the imports of pipe tobacco from Empire countries accounted for nearly 37 per cent. of the total imports into the United Kingdom. All Indian tobacco exported is pipe tobacco. A preference had been operating in favour of the Empire countries since 1919. In 1925 this preference was considerably increased. In consequence, the Empire has been supplying tobacco to the United Kingdom in larger quantities, the percentage share growing from year to year. The consumption of pipe tobacco in the United Kingdom however has been proportionately falling off and that of cigarette tobacco increasing. Unless, therefore, the Empire took up the growing of cigarette tobacco there was little hope of its share of the United Kingdom imports increasing considerably in the future. India does not produce much of this cigarette variety and whatever quantity is produced is absorbed by the local manufacturers of cigarettes. Even as regards pipe tobacco, India is not a predominant supplier in the United Kingdom among the Empire countries. In the opinion of the Imperial Economic Committee the proportion of exportable surplus to the total crop grown in India is very small. The Committee estimated that in 1927 the total production of tobacco amounted to 1,000 million lbs. of which only 30 million lbs. or 3 per cent. was the exportable surplus. Of the total exports of India at that time the United Kingdom took less than a third so that the preference in that country was not of paramount importance to the mass of Indian producers. Even in the exports of cigars the British market offers

little scope for extension of trade. India cannot hope to capture the United Kingdom market from Cuba. Direct competition between these two countries in the British market is limited and the difference in price which would result from any normal measure of preference would not affect the consumption of each of the varieties to any considerable extent. The consumer's taste in the matter of cigars is a factor whose importance is only modified to a limited degree by the question of price. On the whole therefore the preference on tobacco cannot be expected to enable India to increase her trade in, and, as a result, her production of, this article to a large extent. But the immense value of the preference has to be emphasized inasmuch as India would have been unable to retain what market she has in the United Kingdom but for this preference.

TOBACCO, UNMANUFACTURED.

The following table gives the exports from India of tobacco unmanufactured.

Exports of Tobacco, unmanufactured.

	Margin of preference.	Unit of quantity.	Quantity.			Value.		
			1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
						R (000).	R (000).	R (000).
United Kingdom— If unstripped ..	Per lb. 2*s*. $\frac{1}{2}$*d*. and 2*s*. 3$\frac{1}{8}$*d*.	Lbs. (000)	10,626	9,046	13,299	39,21	36,35	46,94
If stripped ..	2*s*. $\frac{5}{8}$*d*. and 2*s*. 3$\frac{1}{8}$*d*.							
Ceylon ..	30 c. per lb.	,,	151	81	215	34	20	62
British West India Islands ..	*10*d*. per lb.	,,	..	43	68	..	21	26
Total of trade with countries— Granting preference ..	..	..	10,777 (42%)	9,170 (44%)	13,582 (47%)	39,55	36,76	47,82
Not granting preference	..	..	14,650 (58%)	11,723 (56%)	15,624 (53%)	41,07	36,65	42,31
Grand Total	..	..	25,427	20,893	29,206	80,62	73,41	90,13

* The rate of duty refers to Jamaica.

India has been granted preference in the United Kingdom, Ceylon and the British West Indies. The total exports from India in 1933-34 amounted to 29 million lbs. as compared with 21 million lbs. in the preceding year and 25 million lbs. in 1931-32. The trade therefore shows a definite increase in 1933-34. The share of the United Kingdom was 13 million lbs. in 1933-34 as against 9 million lbs. in the previous year and 10·6 million lbs. in 1931-32. Thus the participation of the United Kingdom in the trade has increased considerably in 1933-34. The shares of Ceylon and the British West Indies also show increases from 81 thousand and 43 thousand lbs. in 1932-33 to 215 thousand and 68 thousand lbs., respectively in 1933-34. The percentage share

of countries granting preference in the total trade was 47 in 1933-34 as compared with 44 in the preceding year and 42 in 1931-32. Thus it will be seen that the trade with these countries has gone up both absolutely and relatively and this must largely be accredited to preference.

The following table gives the imports of tobacco unmanufactured into the United Kingdom.

Imports of Tobacco, unmanufactured into the United Kingdom.

(In thousand lbs.)

	Total.	India.	Empire. countries.	Foreign countries.
1931	194,046	9,347	34,328	159,718
1932	174,912	9,208	47,708	127,204
1933	211,234	12,978	(a)	(a)

(a) Not available.

The total imports in 1933 amounted to 211 million lbs. as compared with 175 million lbs. in the preceding year and 194 million lbs. in 1931. The trade therefore has increased to some extent. India's share in 1932, amounted to 9 million lbs. or 5 per cent. of the total trade as compared with nearly 13 million lbs. or 6 per cent. of the total trade in 1933. Thus the trade appreciated by nearly 4 million lbs. and further India's percentage share also rose. The preference has been helpful to India in the United Kingdom market.

TOBACCO, MANUFACTURED.

The following table gives the exports of tobacco, manufactured from India.

Exports of Tobacco, manufactured.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32. R(000).	Value. 1932-33. R(000).	Value. 1933-34. R(000).
United Kingdom	2s 5-3/8 d. to 3s. 10¾d. per lb.	Lbs.(000)	25	29	38	32	36	48
Ceylon ..	75 c. per lb.	,,	175	117	191	1,41	84	1,37
British Malaya (including Straits Settlements) Cigarettes.	10 c. per lb. ..	,,	180	178	113	1,37	1,38	95
Total of trade with countries—								
Granting preference ..		,,	380(46%)	314(43%)	342(45%)	3,10	2,58	2,80
Not granting preference ..		,,	455(54%)	416(57%)	411(55%)	1,71	1,12	87
GRAND TOTAL ..			835	730	753	4,81	3,70	3,67

Preference has been granted in the United Kingdom, Ceylon and British Malaya. The market in the United Kingdom is not so important as those in Ceylon and British Malaya. The total exports during 1933-34, amounted to 753 thousand lbs. as compared with 730 thousand lbs. in the previous year and 835 thousand lbs. in 1931-32. The total trade though larger than in the previous year was on a lower level when compared with the 1931-32 figure. The share of the countries granting preference amounted to 342 thousand lbs. in 1933-34, as compared with 314 thousand lbs. in the previous year but

380 thousand lbs. in 1931-32. Thus the trade has been on a much lower level than in 1931-32. The percentage share of the trade with countries granting preference went up by nearly 2 points as compared with the preceding year. Under this heading the preference appears to have been helpful only to a very slight extent.

The following table gives the imports of tobacco, manufactured, into the the United Kingdom. Detailed figures of shares of countries for 1933 are not available.

Imports of Tobacco, manufactured, into the United Kingdom.

(In thousand lbs.)

	Total.	India.	Empire countries.	Foreign countries.
1931	1,202	46	78	1,124
1932	909	29	59	850
1933	1,097	(*a*)	59	1,038

(*a*) Not available.

The total imports into the United Kingdom amounted to 1,097 thousand lbs. as compared with 909 thousand lbs. in 1932 but 1,202 thousand lbs. in 1931. The trade seems to have revived to some extent as compared with the preceding year but fell considerably short of the level attained in earlier years. India's share in 1932 was about 3 per cent.

The following table gives the imports of tobacco, manufactured, into Ceylon.

Imports of Tobacco, manufactured, into Ceylon.

(In thousand lbs.)

	Total.	India.	Empire countries.	Foreign countries.
1931	183	46	179	4
1932	116	22	113	3
1933	143	30	141	2

The total imports amounted to 143 thousand lbs. in 1933, as compared with 116 thousand lbs. in the previous year and 183 thousand lbs. in 1931. India's share in 1933, was 30 thousand lbs. as against 22 thousand lbs. in the preceding year and 46 thousand lbs. in 1931. The percentage share of India went up from 19 in 1932 to 21 in 1933. It may be remarked, however, that India's share was over 25 per cent. in 1931.

The following table gives the reported production of tobacco in India.

Production of tobacco in India.

	Area. Acres (000).	Yield. Tons (000).
1928–29	1,308	599
1929–30	1,317	629
1930–31	1,257	573
1931–32	1,279	623
1932–33	1,212 (*d*)	608 (*d*)

(*d*) Incomplete.

It will be seen that the area under tobacco has generally declined in the last five years. In 1928-29, it was 1,308 thousand acres. In 1932-33, this shrank to 1,212 thousand acres. As has been remarked above, preference is not likely to affect the area under cultivation greatly as home consumption is far more important than exports as far as this crop is concerned.

CASTOR SEED.

It appears that the present figures of export of castor seed to the United Kingdom for 1933-34 will be subject to revision as there is a considerable export for orders. The distribution therefore of the exports between the various countries as available at present is inaccurate. The examination therefore must be carried out from the point of view of the statistics of imports into the United Kingdom. The total exports of castor seed from India including Kathiawar ports to all countries amounted to 87 thousand tons in 1933-34 as compared with 91 thousand tons in the preceding year and 106 thousand tons in 1931-32. It appears therefore that the total export trade of castor seed from India has been declining in the last three years.

The following table gives the imports of castor seed into the United Kingdom :—

Imports of Castor Seed into the United Kingdom.

In Tons (000).

	Total.	India.	Empire Countries.	Foreign Countries.
1929	35	30	30	5
1930	36	21	21	15
1931	31	25	25	6
1932	25	20	20	5
1933	33	30	31	2

The total imports into the United Kingdom amounted to 33 thousand tons in 1933 as compared with 25 thousand tons in the preceding year and 31 thousand tons in 1931. The imports therefore have increased over the preceding year and appear to be comparable with the imports of earlier years. India's share in 1932 was 20 thousand tons or 80 per cent. In 1933, imports from India mounted to 30 thousand tons or 91 per cent. Thus, India has increased her share both absolutely and relatively as compared with her competitors. In this case therefore it may safely be concluded that the preference has enabled India to capture the United Kingdom market from her competitors and has been of very definite advantage to her.

The following table gives the market quotations for castor seed in India and the United Kingdom :—

Market Quotations for Castor Seed.

	India.			United Kingdom (London).							
	Bombay. Ordinary F. A. quality per cwt.			Bombay (Hull delivery) per ton.				Brazilian (Antwerp delivery) per ton.			
	Rs.	a.	p.	£.	s.	d.		£.	s.	d.	
	Ready.			Near Future.							
1932, January	7	1	0	12	12	6	(100)	13	5	0	(105)
February	8	8	0	13	0	0	(100)	14	5	0	(110)
March	6	12	0	12	12	6	(100)	13	7	6	(106)
April	6	9	0	12	7	6	(100)	13	0	0	(105)
May	6	6	0	11	7	6	(100)	12	0	0	(105)
June	5	15	0	11	2	6	(100)	11	10	0	(103)
July	6	8	0	12	0	0	(100)	12	7	6	(103)
August	6	12	0	12	5	0	(100)	Nominal.			
September	6	10	0	12	10	0	(100)	12	17	6	(103)
October	6	6	0	12	5	0	(100)	12	2	6	(99)
November	6	8	0	12	6	3	(100)	12	0	0	(97)
December	6	3	0	11	17	6	(100)	11	10	0	(97)
1933, January	6	3	0	11	10	0	(100)	11	0	0	(96)
February	5	8	0	10	7	6	(100)	10	5	0	(99)
March	5	5	0	9	11	3	(100)	10	0	0	(105)
April	5	5	0	9	15	0	(100)	9	5	0	(95)
May	5	10	6	10	18	9	(100)	11	0	0	(101)
June	5	14	0	11	3	9	(100)	11	5	0	(101)
July	5	12	6	11	3	9	(100)	11	0	0	(98)
August	5	6	0	10	6	3	(100)	10	7	6	(101)
September	5	5	0		..				..		
October	4	15	6	9	17	6	(100)	9	10	0	(96)
November	5	4	0	10	2	6	(100)	9	10	0	(94)
December	5	0	0	9	12	6	(100)	9	0	0	(94)
1934, January	4	14	6	9	8	9	(100)	9	12	6	(102)
February	5	0	0	9	10	0	(100)	9	12	6	(101)
March	4	14	0	9	5	0	(100)	9	5	0	(100)

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices during 1933 have been on a much lower level than in the preceding year. It is interesting to note that the parity was slightly in favour of Brazilian seed in 1933 as compared with 1932. In spite of this, India has made considerable headway in the United Kingdom market, ousting other competitors. It would appear that this achievement was made possible by the advantage she received by way of preference.

The following table gives the area and yield of castor seed in India :—

Production of Castor Seed in India.

	Acreage (Million acres).	Yield (Thousand tons).
1929-30	1·29	116·0
1930-31	1·46	120·0
1931-32	1·58	146·0
1932-33	1·62	151·0
1933-34	1·56	146·0

The area and yield in 1933-34 have both been slightly less than in the preceding year. Naturally preference does not have any immediate effect on sowings and it was hardly to be expected that the area would respond in such a short time.

MAGNESITE.

Of the three commodities which were specially brought to the notice of the Indian Delegation by producers in the Indian States for the purpose of obtaining preference magnesite was one.

Production in India.

	Tons.
1928	24,406
1929	23,497
1930	16,523
1931	5,333
1932	13,864
1933	15,206

Indian production of magnesite after reaching the low level of 5,300 tons in 1931 rose to 14,000 tons in 1932 but even this figure was much less than the quantity (24,400 tons) mined in 1928. Much of this is usually retained in India for home consumption, only a small portion being shipped abroad. Figures of exports of magnesite are now being recorded in the Indian trade returns separately from 1933-34. The statistics show that out of a total shipment of about 3,700 tons in that year the United Kingdom absorbed 2,400 tons or 65%, the balance being destined almost wholly to non-Empire countries.

The United Kingdom imports both crude magnesite and dead-burnt and lightly calcined magnesite and it is the latter variety in which India is interested. As the imports compete with a developing domestic dolomite trade they are becoming smaller year after year. India and other Empire countries are

participating increasingly in that market but the principal sources of supply are still outside the Empire as can be seen from the table below :—

Imports of magnesite, dead-burnt and lightly calcined into the United Kingdom.

	Tons (000).			
	Total Imports.	From British India.	From Empire Countries.	From Foreign Countries.
1929	27·3	0·6	5·1	22·2
1930	18·9	0·4	1·8	17·1
1931	12·2	0·2	1·5	10·7
1932	10·1	1·1	2·1	8·0
1933	9·5	1·4	3·3	6·2

There is an obvious increase in India's share of the United Kingdom import trade besides an actual increase in the exports from India to the United Kingdom. Other Empire suppliers also show an improvement and India with these other Empire countries has captured a large share from the foreign suppliers. The preference would appear to have been distinctly helpful.

SANDALWOOD OIL.

This is another of the three commodities which were specially brought to the notice of the Indian Delegation to the Imperial Conference at Ottawa by producers in the Indian States and the Delegation hoped that the preference would be of benefit to the States concerned. How far this anticipation has been fulfilled will be clear from the following Indian export figures :—

Exports from British India.

	Total Export. Gals.	To United Kingdom Gals.	To Empire Countries Gals.	To Foreign Countries Gals.
1928-29	18,670	5,492	6,196	12,474
1929-30	14,988	5,065	5,489	9,499
1930-31	8,724	1,084	1,564	7,160
1931-32	12,679	4,542	4,899	7,780
1932-33	6,267	3,046	3,557	2,710
1933-34	8,192	5,236	5,694	2,498

Upto the year 1931-32, India's principal markets for sandalwood oil lay outside the Empire but with the grant of preference in the United Kingdom since March 1932 they appear to have been shifted to that country. Prior to 1932-33, the United Kingdom's takings hardly exceeded one-third of the total Indian exports but in the last two years they represented nearly half and two-thirds of the total exports of the respective years. Compared with 1932-33, the United Kingdom's share in 1933-34 increased both absolutely as well as relatively. As the volume of exports to the other countries remained practically unchanged this involved no diversion of trade, and the preference would appear to have been definitely of assistance to India. Sandalwood oil is not separately recorded in the United Kingdom import trade returns and it is not therefore possible to say to what extent India has been able to capture that market from other suppliers.

GRANITE SETTS AND KERBS.

This is another item which was specially brought to the notice of the Indian Delegation by the producers in Indian States as being an article for which a preference might lead to the development of a new trade.

Granite setts and kerbs were not separately specified in the export trade returns of British India until 1933-34. The shipments during that year were as follows :—

	Tons (000).	Rs. (000).
Total Exports	10.1	3,08
To United Kingdom	10.1	3,05
To Other Empire Countries	..	3

Practically the entire trade was with the United Kingdom. The statement below shows the imports as recorded in the United Kingdom trade returns :—

Imports of Granite Setts and Kerbs into the United Kingdom.

Tons (000).

	Total Imports.	From British India.	From Channel Islands.	From Empire Countries.	From Norway.	From Foreign Countries.
1929	117	..	7·9	8·8	80	108
1930	109	..	5·3	6·2	70	102
1931	112	3·6*	8·9	12·7	70	99
1932	52	2·1*	5·5	8.0	29	44
1933	68·4	11·4	9·8	21·2	37·9	47·2

* Figures relate to " Other British Countries " which for these years include India.

British India's share in the imports prior to 1933 was obviously too small to merit separate specification in the trade returns and it was, therefore, recorded undistinguished with " other British Countries " the imports from which in 1932 amounted only to 2,100 tons. Imports from British India in 1933 increased to 11,400 tons and this appears to have been effected by an expansion of the United Kingdom's consumptive demand. The preference has undoubtedly opened up a new line of trade.

GROUNDNUT.

Preference has been granted in the United Kingdom, the Federated Malay States and the British West Indies. The amount of the preference is 10% from the 1st March 1932 in the United Kingdom. Figures of exports from India to the United Kingdom for 1933-34 are subject to considerable revision as there are shipments "for orders" which are later on credited to the country proper on advice from the exporters. As these figures will not be available till the end of July or the beginning of August, the distribution of exports between the various countries from the Indian side cannot be determined at present. The total exports of groundnut including those from the Kathiawar ports amounted to 577 thousand tons in 1933-34 as compared with 443 thousand tons in the preceding year and 694 thousand tons in 1931-32. As compared with the preceding year the exports during the latest year show a considerable increase though they fell short of the figure for 1931-32.

The following table gives imports of groundnuts into the United Kingdom:—

Imports of Groundnuts into the United Kingdom.

Tons (000.)

	Total.	From India.	From Empire Countries.	From Foreign Countries.
1929	134·3	75·4	96·1	38·2
1930	115·2	45·0	82·8	32·4
1931	138·7	81·3	99·8	38·9
1932	96·8	57·6	85·6	11·2
1933	131·5	69·8	129·4	2·1

The total imports of groundnuts into the United Kingdom in 1933 amounted to 131 thousand tons as compared with 97 thousand tons in the preceding year and 139 thousands tons in 1931. Imports for 1933 thus showed a considerable increase over the preceding year. India's share in 1932 was nearly 58 thousand tons or approximately 60 per cent. In 1933 imports from India mounted to 70 thousand tons, an increase of nearly 12 thousand tons over the preceding year. The percentage share, however, went down to 53. Thus it appears that India has not gained as much as her Empire competitors in the United Kingdom market in 1933. It is difficult to explain why India could not increase her share to the same extent as the other Empire countries whose share went up from 28 thousand tons or 29 per cent. to nearly 60 thousand tons or 45 per cent. The preference has been of advantage to India but it is clear that the other Empire countries have so far benefited to a greater extent than India from the preference.

The following table gives the market quotations for groundnut (decorticated) in India and in the United Kingdom:—

Market Quotations for Groundnuts (Decorticated).

	India.			United Kingdom.					
	Madras. Groundnut Kernels M. D.			London and North Continental Ports.					
				Nigerian.			Coromandel.		
	Per candy of 530 lbs.			Per Cwt.					
	Rs.	A.	P.	s.	d.		s.	d.	
1931, January	25	8	0	10	4½	(101)	10	3	(100)
April	28	0	0	12	3	(101)	12	1½	(100)
July	31	8	0		..		12	1½	(100)
October	35	0	0		..		12	7½	(100)
1932, January	39	0	0	14	9	(102)	14	6	(100)
February	48	0	0	17	3	(99)	17	6	(100)
March	45	0	0	17	10½	(103)	17	4½	(100)
April	41	0	0	16	4½	(102)	16	0	(100)

Market Quotations for Groundnuts (Decorticated).

	India.			United Kingdom.					
	Madras. Groundnut Kernels M. D.			London and North Continental Ports.					
				Nigerian.			Coromandel.		
	Per candy of 530 lbs.			Per Cwt.					
	Rs.	A.	P.	s.	d.		s.	d.	
1932, May	39	0	0	..			15	6	(100)
June	36	8	0	No Sale			14	0	(100)
July	40	0	0	Not available			15	4½	(100)
August	38	8	0	..			15	3	(100)
September	34	0	0	13	9	(93)	14	10½	(100)
October	31	8	0	13	9	(102)	13	5¼	(100)
November	32	4	0	13	1½	(101)	12	11¼	(100)
December	31	8	0	13	0	(101)	12	10½	(100)
1933, January	31	0	0	13	4½	(101)	13	3	(100)
February	28	8	0	11	10½	(101)	11	9	(100)
March	24	8	0	11	3	(100)	11	3	(100)
April	27	0	0	10	9	(101)	10	7½	(100)
May	29	12	0	Not available			11	3	(100)
June	28	8	0	Do.			11	9	(100)
July	27	8	0	Do.			11	7½	(100)
August	26	0	0	10	4½	(97)	10	9	(100)
September	24	4	0	10	0	(98)	10	3	(100)
October	23	8	0	9	9	(101)	9	8¼	(100)
November	22	8	0	9	7½	(100)	9	7½	(100)
December	21	4	0	9	3	(101)	9	2¼	(100)
1934, January	20	8	0	8	10½	(101)	8	9	(100)
February	19	0	0	8	4½	(100)	8	4½	(100)
March	18	0	0	8	4½	(102)	8	3	(100)

N.B.—Figures in brackets represent parities assuming the price of the Indian variety to be equal to 100.

Prices of groundnuts have been on a much lower level in 1933 than in the preceding year. The prices of edible vegetable oils were adversely affected in 1933 by the competition of cheap butter and by the increased production of that commodity in Australia and New Zealand. Low butter prices, caused by record production in most countries, affected the marketable value of groundnut oil and consequently of groundnuts. The parity of Indian groundnut to

Nigerian groundnut remained almost the same in 1933 as in 1932. There was therefore no advantage from parity which would explain the larger imports into the United Kingdom from Nigeria and other Empire countries.

The following table gives the production of groundnuts in shell in India and Senegal:—

Production of Groundnuts in shell.

	Area [Acres (000)]		Yield [Tons(000)]	
	India.	Senegal.	India.	Senegal.
1929-30	5,748	1,590	2,370	486
1930-31	6,579	1,739	2,767	531
1931-32	5,489	1,467	2,276	196
1932-33	7,409	1,605	3,007	484
1933-34	8,115	(a)	3,252	(a)

(a) Not available.

The area under groundnut as well as the yield in 1933-34 has gone up as compared with the preceding year but it is difficult to say whether this increase is directly connected with the preference.

LEAD.

Preference has been granted on the exports of lead to the United Kingdom and of pig lead to Ceylon.

The following table gives the exports of pig lead from India:—

Exports of Lead, Pig.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	Quantity. 1932-33.	Quantity. 1933-34.	Value. 1931-32. R(000).	Value. 1932-33. R(000).	Value. 1933-34. R(000).
United Kingdom	10% *ad valorem*.	Cwt. (000)	783	964	1,090	1,04,19	1,17,60	1,27,66
Ceylon ..	10% *ad valorem*.	,,	44	33	31	5,88	3,98	3,58
Total of trade with countries—								
Granting preference.	..	,,	827	(82%) 997	(86%) 1,121	1,10,07	1,21 58	1,31,24
Not granting preference.		,,	468	(18%) 220	(14%) 181	63,21	26,01	20,50
Grand total ..	..	,,	1,295	1,217	1,302	1,73,28	1,47,59	1,51,74

N.B.—Figures in brackets represent percentages of total.

The share of Ceylon is comparatively insignificant and need not be considered separately. The total exports of pig lead from India in 1933-34 amounted to 1,302 thousand cwts. as compared with 1,217 thousand cwts. in the previous year and 1,295 thousand cwts. in 1931-32. The trade has thus shown some expansion. The share of the United Kingdom in 1933-34 amounted to 1,090 thousand cwts. as against 964 thousand cwts. in 1932-33 and 783 thousand cwts. in 1931-32, so that the exports to the United Kingdom have expanded considerably in the last three years. The percentage share of all countries granting preference, chiefly the United Kingdom, amounts to 86 per cent. in 1933-34 as against 82 per cent. in the preceding year. Thus, India's trade with the United Kingdom has increased both absolutely and relatively and this change must be due in great measure to the preference.

The following table gives the imports of pig lead into the United Kingdom.

Imports of pig lead into the United Kingdom.

Tons (000).

	Total imports.	From *British* India.	From *Empire* countries.	From *Foreign* countries.
1929.. ..	292	53	190	102
1930.. ..	327	62	209	118
1931.. ..	299	49	198	100
1932.. ..	262	44	229	33
1933.. ..	282	55	271	11

NOTE.—The United Kingdom imports include figures of transit trade which is considerable in the case of pig lead.

Total imports in 1933 amounted to 282 thousand tons as compared with 262 thousand tons in 1932 and 299 thousand tons in 1931. The trade is on a higher level than in the preceding year but shows a deficit as compared with 1931 and earlier years. India's share in 1933 amounted to 55 thousand tons or 19·5 per cent. of the total trade. In 1932 India sent 44 thousand tons or a little under 17 per cent. of the total trade. Thus, India's share has gone up both in quantity and in percentage. In other words, preference has enabled India to capture an increased share of the United Kingdom market from other countries. It may be noted, in passing however, that India's chief competitor in the United Kingdom market is Australia which also receives the same preference, and the share of all the Empire countries shows an increase at the cost of supplies from foreign sources.

The following table shows the market quotations for lead in the United Kingdom.

Market Quotations for Lead, Pig.

United Kingdom.

	Spanish or soft foreign. £ *s.* *d.*	United Kingdom. £ *s.* *d.*
1932, January	14 7 6 (90) to 14 10 0 (91)	16 0 0 (100)

	United Kingdom.	
	Spanish or soft foreign. £ s. d.	United Kingdom. £ s. d.
1932, February	14 18 9 (88) to 15 0 0 (88)	17 0 0 (100)
March	12 3 9 (86) to 12 5 0 (86)	14 5 (100)
April	11 5 0 (85) to 11 12 6 (88)	13 5 0 (100)
May	9 15 0 (83) to 10 5 0 (87)	11 15 0 (100)
June	9 13 9 (84) to 9 16 3 (85)	11 10 0 (100)
July	10 5 0 (85) to 10 7 6 (86)	12 0 0 (100)
August	12 0 0 (87) to 12 1 3 (88)	13 15 0 (100)
September	12 17 6 (87) to 13 0 0 (88)	14 15 0 (100)
October	11 15 0 (87) to 12 0 0 (89)	13 10 0 (100)
November	11 13 9 (88) to 12 0 0 (91)	13 5 0 (100)
December	11 0 0 (89) to 11 2 6 (89)	12 10 0 (100)
1933, January	10 8 9 (87) to 10 13 9 (89)	12 0 0 (100)
February	10 11 3 (88) to 10 12 6 (89)	12 0 0 (100)
March	10 13 9 (89) to 10 16 3 (90)	12 0 0 (100)
April	11 1 3 88) to 11 3 9 (89)	12 10 0 (100)
May	12 7 6 (90) to 12 11 3 (91)	13 15 0 (100)

Market Quotation for Lead, pig—concld.

	United Kingdom.	
	Spanish or soft foreign.	United Kingdom.
	£ s. d.	£ s. d.
1933, June	13 5 0 (90) to 13 11 3 (92)	14 15 0 (100)
July	13 6 3 (90) to 13 8 9 (91)	14 15 0 (100)
August	12 2 6 (90) to 12 6 3 (91)	13 10 0 (100)
September	12 0 0 (89) to 12 3 9 (90)	13 10 0 (100)
October	11 18 9 (90) to 12 1 3 (91)	13 5 0 (100)
November	11 8 9 (90) to 11 12 6 (91)	12 15 0 (100)
December	11 5 0 (90) to 11 6 3 (90)	12 10 0 (100)
1934, January	11 11 3 (89) to 11 13 9 (90)	13 0 0 (100)
February	11 15 0 (90) to 11 17 6 (91)	13 0 0 (100)
March	11 12 6 (90) to 11 17 6 (92)	13 0 0 (100)

N.B.—Figures in brackets represent parities assuming the price of the U.K. variety to be equal to 100.

Prices of pig lead declined in the first six months of 1932. In the middle of that year, they showed a rising tendency but from September again they started to fall till March 1933. Prices took an upward turn in the following month but the movement was short-lived lasting only till July. From then onwards, prices again fell till the end of 1933. On the whole, prices in 1932 seem on balance to have been slightly higher.

The following table gives the production of lead in the chief supplying countries.

Production of Lead.

Metric tons (000).

Year.	Total Production of the world*.	India.	Australia. (a)	Spain.	Germany.	Caribbean (Mexico).	United States.
1928 ..	1,762	79·6	157·6	131·0	87·0	215·5	708·6
1929 ..	1,823	81·5	180·4	142·8	97·9	229·8	702·7
1930 ..	1,699	81·0	171·2	123·3	110·8	231·2	583·4
1931 ..	1,405	76·0	152·9	109·6	101·3	207·8	401·7
1932* ..	1,150	72·3	186·3	105·8	95·2	130·4	260·4
1933	..	71·7	..	..	..	..	..

Estimated. (a) Including the lead content of the lead, silver, gold bullion exported.

It will be seen that total production of these countries has been falling off continuously since 1929. In 1932 the total production was 1,150 thousand metric tons as compared with 1,405 thousand metric tons in the preceding year. The production in Mexico and the United States has fallen much more rapidly in the last four years than it has in other countries. This probably accounts, to a certain extent, for the decreasing imports from foreign countries into the United Kingdom.

A 10% preference is admissible in the United Kingdom on other sorts of lead also. Indian exports under this category during the last three years were as follows.:—

	1931-32. Cwt.(000).	1932-33. Cwt.(000).	1933-34. Cwt.(000).
To U. K.	8·2	15·1	22·2
To other countries	18·5	17·4	19·1
Total exports	26·7	32·5	41·3

With the expansion in the volume of exports during the past three years the U. K. has progressively increased her share from 31% of the total exports in 1931-32, to 46% in the next year and 54% in 1933-34. The preference which came into effect from March 1932, therefore, appears to have helped exports to that country.

LAC.

There is no preference on this item which is allowed free entry in the United Kingdom; but the synthetic substitutes for lac are subject to duty. Preference is thus granted to natural lac as against the competing substitutes. The reasons for putting lac on the free list have been clearly stated in the Report of the Indian Delegation. The Delegation observed that India had no dangerous rival in the production of this commodity and a duty on foreign lac would do very little to assist her trade. If it had any effect at all in the way of raising the price of lac in the United Kingdom it would be positively mischievous, for lac is exposed to the keenest competition from synthetic substitutes. For these reasons it was considered to be in the best interests of India that lac should be free of duty, irrespective of origin, while the synthetic substitutes for lac, in so far as they are imported into and not made in the United Kingdom, should be subject to duty.

The fo lowing table gives the exports of shellac, seedlac and sticklac.

Exports of shell, stick and seed lac.

Cwt. (000).

	Total Exports.	U. K.	All Empire countries.	U. S. A.	All foreign countries.
1928-29	650	146	156	322	494
1929-30	574	129	140	280	434
1930-31	477	106	117	198	360
1931-32	414	93	100	176	314
1932-33	387	93	103	148	284
1933-34	688	321	331	212	357

The total exports of lac from India in 1933-34 amounted to 688 thousand cwts. as compared with 387 thousand cwts. in 1932-33 and 414 thousand cwts. in 1931-32. Thus the exports during the year have been on a very much higher level than in the preceding two years. The share of the United Kingdom in 1933-34 amounted to 321 thousand cwts. or nearly 47 per cent. of the total export trade. In 1932-33 the United Kingdom purchased only 93 thousand

cwts. or 24 per cent. of the total consignments from India. Exports to the United Kingdom in 1931-32 amounted to 93 thousand cwts. also. Thus, it will be seen that the trade with the United Kingdom increased very considerably in 1933-34 as compared with the preceding year. The exports have more than trebled in quantity while the percentage share is nearly double of what it was. This great increase must, in large measure, be accredited to the preference which Indian natural lac received, over the synthetic substitutes.

The following table gives the imports of shellac, seedlac and sticklac into the United Kingdom.

Imports of shellac, seedlac and sticklac into the United Kingdom.

Cwts. (000).

	Total Imports.	India.	Straits Settlements and dependencies in Labuan.	All Empire Countries.	Germany.	Netherlands.	All Foreign Countries.
1929 ..	157	146	0·91	147	3·2	1·0	10·0
1930 ..	142	133	0·60	134	1·4	0·9	7·9
1931 ..	120	117	0·07	117	1·3	0·6	2·9
1932 ..	108	105	0·05	106	1·4	0·1	2·2
1933 ..	171	167	..	167	..	..	3·2

It will be seen that the import figures, as recorded in the United Kingdom accounts against India, are consistently larger than the Indian export figures except in the year 1933. This is probably due to some extent to the re-export and transit trade in lac carried on in the United Kingdom. Further the figure of imports from India in 1933 is considerably smaller than the figure recorded in the export trade of India. This is largely due to the very heavy exports of lac to the United Kingdom in the last three or four months of 1933-34. Exports of lac from January to March 1934 amounted to 167 thousand cwts. These heavy exports explain why the figure of imports for 1933 in the United Kingdom accounts is so small as compared with the export figures as recorded in the Indian accounts for 1933-34. With these limitations the figures may be studied. It will be seen that the total imports in 1933 amounted to 171 thousand cwts. as against 108 thousand cwts. in 1932 and 120 thousand cwts. in 1931. The import trade therefore has gone up considerably as compared with the preceding two years. Nearly all the lac received in the United Kingdom came from India and there was little scope for any expansion in the percentage share of India. But the total imports from India have gone up from 105 thousand cwts. in 1932 to 167 thousand cwts. in 1933. India accounted for 97·2 per cent. of the total imports in the former year as compared with 97·7 per cent. in the latter year. The large increase in the exports from India is due to a boom in the lac market in the last four months of 1933-34. Stocks in most of the markets had been heavily depleted and consequently demand for replacement was very strong and prices were on the increase. Hence, exports were considerably increased in the last few months of 1933-34.

The following table gives the market quotations for lac in India and the United Kingdom.

Market Quotations for shellac.

	India Calcutta T. N. (Per B. Md). Rs.	A.	P.	United Kingdom T. N. Orange (Per cwt.) s.	d.
1932—					
January	26	0	0	70	0
February	26	8	0	70	0
March	23	8	0	65	0
April	18	8	0	60	0
May	17	8	0	56	0
June	17	0	0	54	0
July	19	8	0	57	0
August	22	0	0	66	0
September	22	8	0	64	0
October	20	8	0	57	6
November	20	8	0	57	6
December	20	8	0	56	0
1933—					
January	19	0	0	55	0
February	18	8	0	56	0
March	19	0	0	52	0
April	18	8	0	50	0
May	22	8	0	60	0
June	23	8	0	60	0
July	24	8	0	64	6
August	22	0	0	65	0
September	22	0	0	63	0
October	22	0	0	59/-to 64/-	
November	23	0	0	62/-to 67/-	
December	34	8	0	73/-to 78/-	
1934—					
January	43	0	0	93/-to 98/-	
February	42	0	0	89/-to 94/-	
March	39	0	0	87/6 to 92/6	

Prices in India were on the decline for the first six months of 1932. There was a slight increase in the next few months and another set-back at the end of the year. In the first seven months of 1933 prices were generally on the increase. There was again a slight set-back in the next four months but from November onwards there was a great rise in the prices of lac which took the quotation to Rs. 43 per maund in January 1934 as compared with Rs. 19 in January 1933. Prices in the United Kingdom showed much the same movement.

MYROBALANS.

There is no direct preference on this article which is admitted free into the United Kingdom irrespective of origin; but there is a duty on other competitive tanning materials imported from non-Empire sources. As the Delegation observed, India has a practical monopoly of myrobalan imports, more than 99 per cent. of the United Kingdom requirements being supplied by her. The preference on this article therefore could not have done anything to extend India's share of the market in the United Kingdom. On the other hand, there are many other tanning materials with which myrobalans are in competition. It was advantageous therefore to have these competing materials made dutiable leaving myrobalans on the free list. The four main tanning substances, imports of which are considerable in the United Kingdom, are chestnut extract, quebracho extract, myrobalans and wattle bark. It is very difficult to determine which of these extracts and substances are in competition with each other and to what extent. Each has its special characteristics and the demand is apt to vary with the variations in demand for the different kinds of leather. Substitution of one kind of material for another is however possible to some extent. Chestnuts and quebracho extracts come from non-Empire sources, whereas wattle bark comes mainly from South Africa and Kenya to a much smaller degree. Myrobalans come almost wholly from India. As regards myrobalan exports from India, there are no complaints in the United Kingdom market regarding the condition under which they are shipped. The only complaint was that myrobalans have till recently been shipped up to a standard which was fixed in 1919 and not revised since. This standard is not sufficiently high to give satisfaction now. A new 1933 standard has recently been selected by the buyers and the question of this standard being accepted by the Indian shippers is under consideration at present. The satisfactory settlement of this question would certainly help the trade in the article.

The following table gives the exports of myrobalans from India :

Exports of myrobalans from British India.

Cwt. (000).

	Total Exports.	To United Kingdom.	To Empire Countries.	To Foreign Countries.
1928-29	1,231	535	551	680
1929-30	1,236	514	539	697
1930-31	1,304	637	655	649
1931-32	1,271	691	711	560
1932-33	1,033	483	506	527
1933-34	1,237	598	629	608

The total exports of myrobalans during 1933-34 amounted to 1,237 thousand cwts. as compared with 1,033 thousand cwts. in the preceding year and 1,271 thousand cwts. in 1931-32. The exports were therefore much larger than in the preceding year and nearly equal to those in 1931-32. The share of the United Kingdom in 1933-34 amounted to 598 thousand cwts. as against 483 thousand cwts. in the previous year and 691 thousand cwts. in 1931-32. As compared with the preceding year, the exports of 1933-34 show considerable increase though they fall greatly below those of 1931-32. It appears that the preference received for myrobalans as against other tanning materials has helped in the recovery of the trade in 1933-34 from the low figure in the previous year.

The following table gives the imports of myrobalans into the United Kingdom:

Imports of myrobalans into the United Kingdom.

Cwts. (000).

	Total Imports.	From British India.	From Empire countries.	From Foreign countries.
1929	497	496	496	1
1930	603	602	602	1
1931	577	574	574	3
1932	614	614	614	..
1933	598	595	597	1

As has been remarked above, nearly all the imports into the United Kingdom under this item come from India. There has been a slight fall in the imports from India from 614 thousand cwts. in 1932 to 595 thousand cwts. in 1933. The difference in these figures as compared with those of exports from India is due to the difference in the period covered.

It will be more interesting, however, to compare the imports of tanning substances of all sorts (excluding tanning extracts, liquid or solid) into the United Kingdom with the imports of myrobalans :—

Imports of Tanning substances (excluding tanning extracts, solid or liquid) *into the United Kingdom.*

	All sorts. Cwts. (000)	Myrobalans. Cwts. (000)
1931	1,293·0 (100)	577·3 (45)
1932	1,277·1 (100)	613·7 (48)
1933	1,271·5 (100)	597·7 (47)

N.B.—Figures in brackets represent percentage of total.

Imports of myrobalans were 45 per cent. of the total quantity of tanning substances (excluding tanning extracts, solid or liquid) imported into the United Kingdom in 1931. In 1932, the percentage share went up to 48 per cent. and in 1933 it was 47 per cent. On the whole, therefore, it appears that myrobalans have maintained their position in the tanning material group, a fall of one per cent. being insignificant. Thus the insurance value of the preference is certainly established inasmuch as it enabled myrobalans to maintain their position in the United Kingdom market *vis a vis* the other tanning substances.

The following table gives the market quotations for myrobalans in the United Kingdom :

Market quotations for myrobalans.

	Quotation in the U. K.			
	Bombay.		Jubbulpore.	
	Per cwt.		Per cwt.	
	s.	*d.*	*s.*	*d.*
1932—				
January	8	3	7	6
February..	7	9	7	4½
March	8	3	7	9
April	8	0	7	9
May	8	0	7	9
June	7	9	7	6
July	8	0	7	9
August	8	3	8	0
September	8	4½	7	9
October	8	3	7	9
November	8	3	7	9
December	8	0	7	6
1933—				
January	7	9	7	0
February..	7	3	6	9
March	7	0	6	9
April	7	0	6	9
May	7	3	6	9
June	7	3	6	9
July	8	0	7	6
August	7	6	7	3
September	7	6	7	0
October	7	6	7	0
November..	7	3	6	9
December	7	3	6	9
1934—				
January	7	3	6	9
February	7	3	6	9
March	7	3	6	9

Prices of myrobalans were lower in 1933 than in 1932.

BROKEN RICE.

No preference has been granted by the United Kingdom on broken rice but exemption from duty, irrespective of origin, was secured for this commodity. The reason for pressing for free entry, as stated by the Indian Delegation, is that broken rice is used both for the manufacture of starch farina and as a feeding stuff for domestic animals. In both respects, it competes directly with a wide range of other articles which can be used as alternatives for broken rice. The supply of broken rice from Burma is not unlimited and a duty on foreign broken rice with a preference to India might produce a rise in prices which would entail a contraction in demand. The Indian Delegation therefore considered it desirable that the duty on broken rice should be removed and general free entry irrespective of origin resumed.

The following table gives the exports of broken rice from India :—

Exports of broken rice from British India.

Cwt. (000).

	Total Exports.	To United Kingdom.	To Empire countries.	To Foreign countries.
1928-29	557	176	442	115
1929-30	1,592	367	888	704
1930-31	2,384	507	1,451	933
1931-32	1,729	424	847	882
1932-33	1,577	674	913	664
1933-34	1,672	535	818	854

The total exports in 1933-34 amounted to 1,672,000 cwts. as compared with 1,577,000 cwts. in the preceding year and 1,729,000 cwts. in 1931-32. The share of the United Kingdom in 1933-34 amounted to 535,000 cwts. as compared with 674,000 cwts. in the preceding year. Thus the share of other countries went up considerably.

The following table gives the imports of broken rice into the United Kingdom :

Imports of broken rice into the United Kingdom.

Cwt (000)

	Total imports.	From British India.	From Empire countries.	From Foreign countries.
1929	1,000	304	331	669
1930	1,001	558	558	443
1931	959	433	433	526
1932	860	616	624	236
1933	1,067	705	716	351

The total imports of broken rice in 1933 amounted to 1,067 thousand cwts. as compared with 860 thousand cwts. in 1932 and 959,000 cwts. in 1931. The imports therefore show considerable increase. India's share in 1932 amounted to 616,000 cwts., whereas in 1933 it was 705,000 cwts. The share of foreign countries went up from 236,000 cwts. to 351,000 cwts. Thus, the increase has been proportionately larger in the case of foreign countries.

MICA.

No preference has been secured on this item. India supplies about 80 per cent. of the United Kingdom requirements and other Empire countries about 10 per cent. The imports of mica of foreign origin in the United Kingdom must be less than the remaining 10 per cent., since imports of Indian mica from Continental stocks would be classified in the British trade returns as imports from the country from which the stocks were drawn. A preference therefore would have been of little value and in so far as the entrepôt trade might be hampered it would have been contrary to Indian interests. On these grounds the Indian Delegation did not press for a preference on this item.

The following table gives the exports of mica from India.

Exports of mica from British India.

	Tons (000)				Rs. (000)			
	Total Exports.	To U. K.	To Empire countries.	To Foreign countries.	Total Exports.	To U. K.	To Empire countries.	To Foreign countries.
1928-29	4·8	2·0	2·1	2·7	90,47	42,91	44,90	45,57
1929-30	5·7	2·1	2·2	3·5	1,03,08	42,59	44,98	58,10
1930-31	3·7	1·7	1·8	1·9	67,59	34,63	35,81	31,78
1931-32	2·6	1·2	1·3	1·3	39,36	21,55	22,70	16,66
1932-33	2·0	0·9	0·9	1·1	31,52	18,07	18,48	13,04
1933-34	3·2	1·2	1·2	2·0	44,74	24,38	24,77	19,97

The total exports of mica during 1933-34 amounted to 3·2 thousand tons as compared with 2 thousand tons in the preceding year and 2·6 thousand tons in 1931-32. Figures in earlier years, however, were much larger. The trade seemed to be reviving to some extent in 1933-34. The exports to the United Kingdom amounted to 1·2 thousand tons in 1933-34 as against 900 tons in 1932-33. There has thus been an increase of 300 tons in the purchases of the United Kingdom but the consignments to foreign countries from India increased much more than to the United Kingdom. In 1932-33 the total exports to foreign countries amounted to 1 thousand tons; in 1933-34 they rose to 2 thousand tons. To put it in another way, the share of the United Kingdom in the total exports of India went down from 46 per cent. in 1932-33 to 37 per cent. in 1933-34. The corresponding increase in the case of foreign countries was from 53 to 62.

The following table gives the imports of mica, slab and splittings, into the United Kingdom.

Imports of mica slabs and splittings into the U. K.

	Tons (000)				£ (000)			
	Total Imports.	From Br. India.	From Empire countries.	From Foreign countries.	Total Imports.	From Br. India.	From Empire countries.	From Foreign countries.
1929	2·4	1·9	2·1	0·3	433	328	395	38
1930	2·0	1·6	1·8	0·2	360	265	324	36
1931	1·3	1·0	1·2	0·1	231	177	201	30
1932	1·3	1·1	1·1	0·2	162	141	144	18
1933	1·24	1·02	1·04	0·2	206	168	173	33

The total imports in 1933 amounted to 1,240 tons as compared with 1,300 tons in 1932 and the same figure in 1931. Imports in the earlier years were on a much higher level. The share of India was 1,020 tons in 1933 as against 1,100 tons in 1932. Imports from India accounted for 82 per cent. in 1933 as compared with 85 per cent. in 1932. The share of India has receded slightly. It is possible however that the share of foreign countries may include some exports from India as was indicated in the Delegation Report.

INDIAN HEMP.

The Indian Delegation observed that India had no monopoly in this trade and that her hemp was sold in competition with the product of other countries, the principal competitor being "Cannabis Sativa" (European or true hemp). Cannabis Sativa is on the free list; all other kinds of hemp when coming from non-Empire countries are subject to a duty of 10 per cent. The Russian type of European hemp (which is imported into England from several Continental countries) definitely competes with Indian hemp for rope manufacture, but the principal import of Continental soft hemp into the United Kingdom consists of Italian hemp, much of which is used for spinning—for the production of fabrics—and not for ropes or cordage, and is thus mainly non-competitive. It was not found possible to distinguish between these two qualities of Cannabis Sativa, one of them competitive and the other not. The imposition of duty on this item was not therefore found practicable. The Delegation also found the position as regards hemp unsatisfactory in another respect. Two conditions are required for the free entry into the United Kingdom of natural products of Empire origin, *viz.*, (1) proof that the commodity is in fact of Empire origin, and (2) consignment on a through Bill of Lading from an Empire country. A practice has grown up by which stocks of Indian hemp are held at such Continental centres as Antwerp. Hamburg and Bremen. These stocks are sometimes held on consignment at the Indian exporters' charge, and cheap storage facilities, coupled in the case of hemp with the larger demand on the Continent for certain types, have led to an entrepôt trade of some importance. The result of the passing of the Import Duties Act was that when London drew on the Continental stocks the Indian goods entering the United Kingdom had to pay duty because they had not been consigned on a through Bill of Lading. In

effect, therefore, the preference in such cases was not applicable but was, indeed, an actual impediment to the free sale of the Indian product. For this reason the Delegation thought it eminently desirable to secure the removal of the duty on all varieties of hemp whatever the country of origin and thereby to obtain free entry into the United Kingdom for all Indian hemp.

The following table gives the exports of hemp raw from India.

Exports of Hemp, raw from India.

	Tons (000)			
	Total.	United Kingdom.	Empire countries.	Foreign countries.
1930-31	14·6	1·7	1·7	12·9
1931-32	11·2	1·6	1·6	9·6
1932-33	14·0	4·0	4·0	10·0
1933-34	19·4	4·2	4·3	15·1

The total exports in 1933-34 amounted to 19,400 tons as compared with 14,000 tons in the preceding year and 11,200 in 1931-32. Thus the exports seem to have increased in the last three years. The share of the United Kingdom was 4,200 tons in 1933-34 as compared with 4,000 tons in the previous year. The percentage share, however, declined from over 28 per cent. in 1932-33 to 22 per cent. in 1933-34. On the other hand, the share of foreign countries especially Belgium rose very considerably from 10,000 tons or 71 per cent. to 15,100 tons or 78 per cent. of the total exports. Thus the largest portion of the increase in total trade was on account of the greater consignments to foreign countries.

The following table gives the imports into the United Kingdom of hemp—not dressed, dressed and tow or codilla.

Imports of Hemp, not dressed, dressed and Tow or Codilla into the United Kingdom.

	Tons (000)			
	Total.	India.	Empire countries.	Foreign countries.
1930	83	3·9	15	68
1931	85	1·8	14	71
1932	65	3·4	24	41
1933	74·6	4·0	27·6	47·0

The total imports in 1933 were 74,600 tons as against 65,000 tons in 1932, and 85,000 tons in 1931. The imports seem to have revived to some extent from the low figure of 1932. India's share in 1933 amounted to 4,000 tons as compared with 3,400 tons in the preceding year, thus registering a slight increase. The percentage share also showed a very small increase. The new arrangement seems to have been of some very slight advantage to India.

The following table gives the market quotations for Indian hemp in the United Kingdom.

Market Quotations (per ton) for Indian Hemp.

	United Kingdom.		
	Sunn.	New Zealand.	Manila. "J" Grade.
	£ s. d.	£ s. d.	£ s. d.
1932.			
January	14 0 0 (100) to 18 0 0 (100)	18 0 0 (128) to 20 10 0 (114)	19 15 0 (110)
February	Do.	17 0 0 (121) to 19 0 0 (106)	Do.
March	Do.	Do.	19 0 0 (106)
April	11 0 0 (100) to 14 10 0 (100)	17 0 0 (109) to 19 0 0 (130)	18 5 0 (126)
May	13 0 0 (100) to 17 15 0 (100)	15 0 0 (115) to 16 0 0 (90)	17 5 0 (97)
June	13 0 0 (100) to 17 0 0 (100)	14 0 0 (108) to 15 0 0 (88)	17 10 0 (103)
July	Do.	Do.	19 5 0 (113)
August	12 0 0 (100) to 16 10 0 (100)	14 10 0 (121) to 16 0 0 (97)	19 0 0 (115)
September ..	13 0 0 (100) to 17 0 0 (100)	13 10 0 (104) to 14 10 0 (85)	Do. (112)
October	Do.	Do.	18 15 0 (110)
November	Do.	Do.	18 10 0 (109)
December ..	13 0 0 (100) to 18 0 0 (100)	Do. (104) Do. (81)	Do. (103)
1933.			
January	15 0 0 (100) to 19 0 0 (100)	14 0 0 (93) to 14 10 0 (76)	17 10 0 (92)
February	Do.	Do.	16 5 0 (86)
March	15 0 0 (100) to 18 10 0 (100)	11 10 0 (77) to 13 10 0 (73)	15 0 0 (81)
April	Do.	Do.	14 15 0 (80)
May	Do.	11 5 0 (75) to 12 10 0 (68)	16 10 0 (89)
June	17 0 0 (100) to 21 10 0 (100)	12 10 0 (74) to 13 10 0 (63)	16 10 0 (77)
July	Do.	Do.	16 15 0 (78)
August	Do.	Do.	16 0 0 (74)
September ..	Do.	Do.	15 10 0 (72)
October	15 0 0 (100) to 21 10 0 (100)	13 5 0 (88) to 14 10 0 (67)	15 5 0 (71)
November ..	14 10 0 (100) to 21 0 0 (100)	14 0 0 (97) to 15 0 0 (71)	14 15 0 (70)
December ..	11 5 0 (100) to 19 0 0 (100)	13 0 0 (116) to 15 0 0 (79)	14 15 0 (78)

Market Quotations for Indian Hemp—contd.

	United Kingdom.		
	Sunn.	New Zealand.	Manila. "J" Grade.
	£ s. d.	£ s. d.	£ s. d.
1934.			
January	12 0 0 (100) to 19 10 0 (100)	12 10 0 (104) to 14 10 0 (74)	15 10 0 (79)
February	14 10 0 (100) to 24 0 0 (100)	Do. (86) Do. (60)	15 10 0 (65)
March	13 0 0 (100) to 22 10 0 (100)	13 0 0 (100) to 15 0 0 (67)	15 0 0 (67)

Compared with 1932, prices of sunn-hemp were on a higher level in 1933. On the other hand, those of New Zealand and Manila hemp seem to have declined on balance in 1933 as against the previous year. The parity was clearly against sunn-hemp in 1933 as compared with 1932. In spite of this however India has been able to increase her share in the United Kingdom market slightly.

FRUITS AND VEGETABLES.

(a) Fresh.

Of the countries to which fresh fruits and vegetables are normally exported from India, Ceylon and Seychelles alone allow preference to her. The trade with Seychelles is very small and was valued at rupees five thousand in 1931-32 and rupees six thousand in each of the next two years.

Indian exports to Ceylon consist mainly of onions. But this is an article which along with currants and potatoes is admitted into the Colony free of duty. Separate figures of exports of the last two items are not available as they are recorded undistinguished under other sorts of fresh fruits and vegetables. The share of Ceylon during the last three years in this category was :

	Rs. (000)
1931-32	4,42
1932-33	4,54
1933-34	3,85

As the above figures are inclusive of those for currants and potatoes it is not possible to evaluate the benefit or otherwise that has resulted from the preference.

(b) Dried, Salted or Preserved.

In this category also, the principal Empire customers which allow preferences to India are Ceylon and Fiji. Their combined takings in 1933-34 were 2,670 tons valued at Rs. 3,90,000 as compared with 2,250 tons valued at Rs. 2,43,000 in the previous year, the corresponding volume of total exports were as shown in the table below :

Exports of Fruits and Vegetables, Dried, etc.

	Margin of preference.	Unit of quantity.	Quantity.			Value.		
			1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
						Rs. (000)	Rs. (000)	Rs. (000)
Ceylon ..	10% *ad val.*	Tons (000)	2·0	2·2	2·6	2,34	2,37	3,84
Fiji ..	*20% *ad val.*	,,	·04	·05	·07	3	6	6
Total of trade with countries—								
Granting preference ..		..	2·04	2·25	2·67	2,37	2,43	3,90
Not granting preference		..	8·26	7·55	10·13	54,44	34,04	65,67
Grand Total ..		..	10·3	9·8	12·8	56,81	36,47	69,57

* The margin of preference is 20 per cent. in the case of dried fruits and 15 per cent. in others.

India's trade in this line is chiefly with countries which are outside the preference scheme. Although there has been a slight improvement in the demands from Ceylon and the other preferential market in 1933-34 the bulk of the increase in the exports during the year is due to unusually heavy bookings to other destinations. The expansion of trade in the last year, therefore, cannot be connected to preference.

Imports of dried, salted and preserved fruits and vegetables into Ceylon during the last four years are shown in the table below :

Tons (000)

	Total Imports.	From British India.	From Empire Countries.	From Foreign Countries.
1930	1·0	0·75	0·98	0·02
1931	1·1	0·75	1·00	0·1
1932	1·1	0·95	1·08	0·02
1933	0·95	0·43	0·6	0·35

Till 1932, India and other Empire countries were the main sources of supply of these commodities to Ceylon and the non-Empire countries occupied a very unimportant position in this trade. But in 1933 India lost considerable ground to the non-Empire countries in this market. The net result has been a decline in India's share from 950 tons in 1932 to 430 tons in 1933 whereas all foreign countries together raised their contributions from 20 to 350 tons during the same period. The preference does not appear to have been of any value to India so far.

IRON AND STEEL.

Ten per cent. *ad valorem* preference has been granted on certain kinds of iron and steel in Ceylon, the most notable exceptions being pig iron and scrap iron for remanufacture which are admitted into that country free. A similar preference is admissible in Seychelles also. The share of the latter country in this trade, however, is negligible and need not be considered.

The following table gives the exports from India of iron and steel excluding ores, pig iron and old iron for remanufacture.

Exports of Iron and Steel (excluding ores, pig and old for remanufacture).

	Margin of preference.	Quantity in tons.			Value in Rs. (000)		
		1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
Ceylon ..	..10% *ad val.*	28	27	4	5	5	1
Seychelles ..	..10% *ad val.*	1	5	..	0·3	2	..
Total of trade with countries—							
Granting preference ..		29	32	4	5·3	7	1
Not granting preference ..		14,730	29,694	47,274	819·7	1,678	2,168
Grand Total ..		14,759	29,726	47,278	825	1,685	2,169

It will be seen that the exports to Ceylon are quite insignificant compared to the total exports from India. In 1933-34, Ceylon's share was 4 tons only out of the total exports of over 47,000 tons. Her takings in 1932-33 amounted to 27 tons out of the total of 30,000 tons. The preference has been of very little value to India so far.

PERFUMERY.

Both Ceylon and British Malaya have granted preference in this article. Indian exports to Mauritius also enjoy this concession. In so far as Ceylon is concerned, this appears to have assisted exports to that country in 1933-34.

The statement below shows India's exports abroad.

Exports of Perfumery.

	Margin of preference.	Unit of quantity.	Quantity. 1931-32.	1932-33.	1933-34.	Value. 1931-32. R (000)	1932-33. R (000)	1933-34. R (000)
Ceylon	..10% *ad val.*	..	..	..	..	33	29	94
F. M. States	..25% *ad val.*	..	..	..	..	5	4	4
Mauritius	..11% *ad val.*	..	..	..	..	2	5	2
Total of trade with countries—								
Granting preference	..	..	..	..	..	40	38	100
Not granting preference	..	..	..	..	..	103	103	107
Grand Total	..	..	..	..	..	143	141	207

The value of the total exports rose from Rs. 1,41,000 in 1932-33 to Rs. 2,07,000 an increase of over Rs. 60,000 which was contributed almost wholly by Ceylon. Despatches to the Federated Malay States and Mauritius were comparatively small. The combined takings of the three countries, were valued at Rs. 1,00,000 in 1933-34 as compared with Rs. 38,000 only a year ago. The share of the countries which were outside the preferential scheme remained, on the other hand, more or less unchanged. This *prima facie* suggests that preference was enabling India to extend her market in Ceylon.

There seems to exist a divergence in the system of classification between India and Ceylon trade returns in regard to perfumery as the value of the imports credited to India in the Ceylon accounts is consistently lower than that recorded in the Indian export returns. A discussion of Ceylon figures, therefore, is not likely to be very useful.

BEANS.

India has secured a preference of 50 cents per cwt. on beans in Ceylon. A similar unscheduled preference is also admissible in the United Kingdom under Article 1 of the Agreement.

Exports of beans from India in the three years ending 1933-34 were as follows :—

Exports of Beans from British India.

	Margin of preference.	Tons (000). 1931-32.	1932-33.	1933-34.	Rs. (000). 1931-32.	1932-33.	1933-34.
United Kingdom	.. 10% *ad val.*	7·2	8·6	5·0	3,96	4,49	2,18
Ceylon	.. 50c per cwt	0·7	0·8	0·8	74	64	74
Total of trade with countries—							
Granting preference..	..	7·9	9·4 (31%)	5·8 (22%)	4,70	5,13	2,92
Not granting preference	..	25·9	21·2 (69%)	20·0 (78%)	13,66	11,22	9,38
Grand Total	..	33·8	30·6 (100%)	25·8 (100%)	18,36	16,35	12,30

It will be seen that the shipments to Ceylon were almost stationary during the last two years but due to a heavy decline in the takings by the United Kingdom, the combined exports in 1933-34 to the two countries granting preference were considerably less, both relatively as well as absolutely, than in the preceding year. The fall in the exports to other countries was not, nearly so large as in the case of the preferential exports. Up to 1931, Java was India's principal competitor in the Ceylon market, but as imports of this commodity are no longer separately recorded in the trade returns of that Colony, the present position cannot be ascertained.

APPAREL.

As apparel is not separately specified in the Ceylon Customs Tariff it is presumed that the 10 per cent. preference asked for has not been conceded except in the case of apparel of silk and artificial silk in which there is an Empire preference of 5 per cent. Further, the share of Ceylon in the total exports of apparel from India is comparatively small :—

	Total Exports. Rs. (000)	To Ceylon. Rs. (000)
1931-32	10,33	55
1932-33	8,93	60
1933-34	11,14	56

It is not, therefore, possible to consider this item in greater detail.

BOOTS AND SHOES.

Boots and shoes of Indian origin enjoy Empire preference of 10 per cent. *ad valorem* on importation into Ceylon. An unscheduled preference of 20 per cent. is also admissible in the United Kingdom under Article 1 of the Ottawa Agreement.

The extent of Indian export trade in this line can be seen from the following table.

Exports of Boots and Shoes.

	Margin of preference.	Unit of *quantity.*	Quantity. 1931-32.	1932-33.	1933-34.	Value. 1931-32. R (000).	1932-33. R (000).	1933-34. R (000).
Ceylon ..	10% *ad val.*	Pairs (000)	42	27	26	73	57	54
United Kingdom	20% ,,	,, ,,	1	..	41	5	..	26
Total of trade with countries—								
Granting preference ..			43	27 (16%)	67 (26%)	78	57	80
Not granting preference ..			148	145 (84%)	188 (74%)	227	222	216
Grand Total ..			191	172 (100%)	255 (100%)	305	279	296

The total exports in 1932-33 numbered 172,000 pairs out of which 27,000 pairs (or 16%) were taken up by Ceylon. The exports to the United Kingdom during the year were negligible. In 1933-34, the shipments of Indian footwear advanced to 255,000 pairs. Although, there was a slight setback in the exports to Ceylon by 1,000 pairs, those to the United Kingdom increased enormously to 41,000 pairs. The combined takings of the countries granting preference, therefore, rose from 27,000 to 67,000 pairs. The share of the countries outside the preferential scheme also displayed a similar rise. There has, therefore, been an all-round expansion in trade.

The following table gives the imports into Ceylon.

[Dozen pairs (000).]

	Total imports.	From British India.	From U. K.	From Empire countries.	From Foreign countries.
1930	19	0·3	8·0	8·7	10·3
1931	25	0·7	4·9	6·4	18·6
1932	37	1·1	5·7	7·8	29·2
1933	17	1·8	5·6	7·8	9·2

(*N.B.*—The figures of imports of Indian "Boots and Shoes" into Ceylon prior to 1932 differ from those of exports from India to Ceylon as published in the Indian Trade Accounts. This may, perhaps, be accounted for by the revised classification of goods introduced into the Ceylon trade returns from April 1932.)

The volume of imports of boots and shoes into Ceylon in 1933 has been reduced to less than half of what it was a year ago and it stood almost at the level of 1930. This has been effected by a reduction in the imports from the non-Empire countries while those from Empire sources have remained stationary. India's contribution, however, showed a progressive increase and it amounted to 1,800 dozen pairs in 1933 against 1,100 dozen pairs in the preceding year and only 340 dozen pairs in 1930.

BRASS, BRONZE, BRASSWARE AND BRONZEWARE.

The Federated and Unfederated Malaya States have granted a 10 per cent. preference on this item.

Unscheduled preferences at varying rates are also admissible to Indian products in British Guiana, British West India Islands and Fiji.

The following table shows the exports of brass, bronze and similar alloys from British India during the last three years.

Exports of brass, bronze and similar alloys, wrought and unwrought from India.

	Margin of preference.	Cwts. (000). 1931-32	1932-33	1933-34	Rs. (000). 1931-32	1932-33	1933-34
Federated Malay States ..	10 per cent.	0·17	0·18	0·21	14	14	16
British Guiana ..	16-2/3 per cent.	0·04	0·13	0·01	3	5	1
British West India Islands	*5 per cent.	0·16	0·11	0·09	25	11	10
Fiji	15 per cent.	0·05	0·05	0·06	6	3	4
Total trade with countries—							
Granting preference		0·4	0·5	0·4	48	33	31
Not granting preference		5·3	5·2	5·7	4,65	4,31	3,76
GRAND TOTAL		5·7	5·7	6·1	5,13	4,64	4,07

* The rate refers to Jamaica.

Compared to the total trade, the shares of the Federated Malay States (in which is included the exports, if any, to the Unfederated Malay) as also of the other countries which grant preference are too small to merit detailed consideration. The takings of the Federated Malay States showed a small rise in 1933-34 in comparison with those of the preceding two years, but the combined exports to all the destinations which allow preference have fallen to some extent during the same period. The shipments to other countries which are outside the preference scheme recorded at the same time an increase.

As separate figures of imports into British Malay (excluding the Straits Settlements) are not available, it has not been possible to examine the position in that market.

COPPER AND COPPERWARE.

India has been granted a 10 per cent. preference in British Malay (excluding the Straits Settlements). She is entitled to unscheduled Empire preferences at varying rates in certain other countries as well, the most important of which is the United Kingdom. Compared to the total trade, the exports to the countries granting preference are very insignificant and no useful purpose would be served by a detailed discussion of their position. The exports from India during the last three years were as follows .—

	Margin of preference.	Cwts. (000). 1931-32.	1932-33.	1933-34.
Federated Malay States	10 per cent...	..	..	..
United Kingdom	*10 per cent. ..	6·9	4·2	..
Total exports ..		250	229	254

* A preference of 20 per cent *ad valorem* is admissible on copper manufactures other than plates, sheets, etc.

FISHMAWS AND SHARKFINS.

India enjoys a 10 per cent. preference in this article in British Malay (excluding the Straits Settlements). A similar unscheduled preference is also admissible to her in the United Kingdom under Article 1 of the Agreement.

The following table shows the exports of fishmaws and sharkfins from British India during the last three years.

Exports of fishmaws and sharkfins.

	Margin of preference.	Cwts. (000). 1931-32.	1932-33.	1933-34.	Rs. (000). 1931-32.	1932-33.	1933-34.
United Kingdom ..	10 per cent.	0·8	1·0	1·4	1,29	1,33	1,76
Federated Malay States ..	10 per cent.	..	.	..	..	..	..
Total trade with countries—							
Granting preference		0·8	1·0	1·4	1,29	1,33	1,76
Not granting preference ..		6·8	6·2	5·9	6,90	6,57	5,15
GRAND TOTAL ..		7·6	7·2	7·3	8,19	7,90	6,91

India's trade in this article has remained fairly steady for the last few years, but her exports to the Federated and Unfederated Malay States were either insignificant or *nil* during this period. The United Kingdom, on the other hand, raised her takings progressively from 800 cwts. in 1931-32 to 1,400 cwts. in 1933-34. It is significant, however, that the Straits Settlements which grants no preference has a big share in the Indian exports of fishmaws but in the absence of information it is difficult to say if any part of it passes to the rest of the Colony.

UNSCHEDULED ARTICLES.

By Article 1 of the Agreement, goods which would otherwise be liable to duty under the Import Duties Act have been guaranteed free entry into the United Kingdom when such goods are Indian. So long as such duties are retained Indian goods, not included in any of the Schedules to the Agreement, will, therefore, be entitled to preference on importation into that country. Among the articles which come under this category the Indian Delegation considered the following items as most important :—

(*a*) Barley.

(*b*) Pulses.

(*c*) Miscellaneous foodgrains.

(*d*) Manure and bones.

(*e*) Raw goat skins, and

(*f*) Asbestos.

India's export trade in all these commodities, except asbestos which is not separately specified in the Indian export returns, may be considered.

BARLEY.

The table below shows the acreage and yield of barley in India and some of the other principal producing countries of the world during the five years ending 1933-34.

Production of Barley.

	Acres (000).				Tons (000).			
	India.	U. S. A.	Canada.	Germany.	India.	U. S. A.	Canada.	Germany.
1929-30	7,049	13,517	5,923	3,834	(a) 2,293	5,992	2,188	3,124
1930-31	6,637	12,661	5,556	3,752	(a) 2,392	6,495	2,890	2,809
1931-32	6,413	11,419	3,767	3,999	(a) 2,388	4,245	1,441	2,964
1932-33	(a) 6,322	13,346	3,758	3,875	(a) 2,351	6,472	1,731	3,164
1933-34	(b)	10,052	3,658	3,918	(b)	3,345	1,358	3,413

(a) Incomplete. (b) Not yet available.

It will be seen that so far as India is concerned, her production has remained fairly steady despite a gradually diminishing area under the crop. But her exports abroad, especially to the U. K., have varied between wide limits. The following statement gives the volume of exports.

Exports of Barley from British India.

(Tons 000).

	Total Exports.	To U. K.	To Empire countries.	To Foreign countries.
1928-29	137·8	26·8	27·1	110·7
1929-30	5·6	4·8	5·0	0·6
1930-31	1·1	0·9	1·0	0·1
1931-32	26·9	21·7	21·8	5·1
1932-33	16·6	12·6	12·7	3·9
1933-34	0·1	..	0·1	..

In 1928-29 the total shipments amounted to 137·8 thousand tons out of which U. K. took 26·8 thousand tons or 19 per cent. During the next four years the exports were very greatly diminished, but of these the U. K. had a very large share. In 1933-34, the shipments of Indian barley almost reached the vanishing point and totalled 142 tons only. India's exportable surplus of barley seems to be dwindling in recent years and preference is of little use in the present circumstances. The Imperial Council of Agricultural Research have had the question of working up the export trade in barley

under their consideration and special malting trials with Indian barleys from the Punjab, the United Provinces and Bihar are being financed by them.

PULSES.

The following table shows the exports of pulses from India :

Exports of Pulses (Total) from India.

	Total.	U. K.	Empire Countries.	Foreign Countries.
			Tons (000).	
1929-30	97·0	21·7	65·9	31·1
1930-31	82·2	18·9	59·4	22·8
1931-32	92·7	16·9 (18%)	57·6 (62%)	35·1
1932-33	111·1	33·1 (30%)	72·9 (66%)	38·2
1933-34	104·4	21·3 (20%)	61·7 (59%)	42·7

The exports of pulses of all sorts totalled 104,000 tons in 1933-34. This was smaller than the preceding year's shipments by about 7,000 tons but considerably greater than those of 1931-32. The exports to the U. K. also followed a similar course. Her share formed 18 per cent. of total in 1931-32, 30 per cent. in 1932-33 and fell back to 20 per cent. in 1933-34. Preference seems to have increased India's trade with U. K. in 1932-33 but the improvement was not fully maintained in 1933-34 when U. K.'s share, though larger than in 1931-32, was considerably less than in the preceding year.

MISCELLANEOUS FOODGRAINS.

India enjoys a 10 per cent. preference in this group of articles which consists of all foodgrains other than wheat, rice, barley, pulses and maize. The class of grains included under this category forms a comparatively unimportant part in the total volume of India's exports in foodgrains. Except 1931-32, the shipments of the miscellaneous foodgrains were well below 20,000 tons during the last five years and U. K. had all along figured very badly therein. The figures of export are given below:

Exports of foodgrains other than rice, wheat, pulse, barley, and maize from India.

	Total.	U. K.	Empire Countries.	Foreign Countries.
			Tons (000).	
1929-30	17·6	0·1	6·0	11·6
1930-31	7·7	0·1	3·2	4·5
1931-32	59·8	1·1	8·6	51·2
1932-33	17·9	0·7	5·0	12·9
1933-34	7·0	0·1	2·7	4·3

The preference appears to have had little effect so far on the course of Indian exports under this item.

MANURES AND BONES.

Manures as recorded in the Indian trade returns consist of such items as bones (for manurial purposes), bonemeal, fish manures, guano, sulphate of ammonia, etc. The amount of preference admissible in the United Kingdom to the Indian products varies according to the nature of the

manure, *e.g.*, it is 20 per cent. in the case of sulphate of ammonia and 10 per cent. in the case of bonemeal. The following table shows the volume of India's trade in this line :

Exports of Manures (Total) from India.

	Tons (000).			
	Total.	U. K.	Empire Countries.	Foreign Countries.
1929-30*	122·3	4·7	26·6	95·7
1930-31*	120·9	5·0	30·4	90·5
1931-32	53·2	6·5 (12%)	27·1 (51%)	26·1 (49%)
1932-33	31·3	9·8 (31%)	23·3 (74%)	8·0 (26%)
1933-34	40·9	15·2 (37%)	33·4 (82%)	7·5 (18%)

*Figures prior to 1931-32 include crushed bones which are now recorded separately as "Bones for manufacturing purposes".

The exports to the United Kingdom recorded a progressive increase during the last three years and her share which amounted to 6·5 thousand tons (or 12% of the total exports) in 1931-32 rose to 9·8 thousand tons (or 31%) in the following year and further to 15·2 thousand tons (or 37%) in 1933-34. The improvement is most noticeable since 1932-33 and it coincided with the grant of preference which became effective from the 1st March, 1932. This preference would appear to have been definitely beneficial to India. The increase in the percentage share is due to larger takings by the United Kingdom of bonemeal which accounts for more than half the total exports of all manures.

GOAT SKINS, RAW.

The following table shows the exports from India :

Exports of Goat Skins, raw, from India.

	Number (000).		
	Total.	U. K.	Other countries.
1929-30	25,242	1,078*	24,164
1930-31	21,256	1,568*	19,688
1931-32	20,266	3,542 (17%)	16,724 (83%)
1932-33	17,943	4,683 (26%)	13,260 (74%)
1933-34	25,831	6,821 (26%)	19,010 (74%)

**Vide* footnote under the table on page 104.

Except for a set-back in 1932-33, world demand for Indian raw goat skins has been increasing continuously during the last four years and the total exports reached the high level of 25·8 million pieces in 1933-34. The share of the United Kingdom also recorded a similar increase during the same period. Her takings which amounted to 3·5 millions (or 17% of the total exports) in 1931-32 rose to 4·7 millions (or 26 per cent.) in 1932-33 and in 1933-34 they stood at 6·8 million pieces but the percentage share remained unchanged at the previous year's level. It is significant that the increased sales to the United Kingdom during the last two years coincided with the period during which the 10 per cent. preference has been in force.

The table below gives the imports into the United Kingdom of undressed goat skins, dry and wet :

Imports of Goat Skins, undressed, into the United Kingdom.

Number (000).

	Total.	India.	Empire countries.	Foreign countries.
1929	10,555	5,777*	9,766	789
1930	11,618	5,942*	10,287	1,331
1931	7,985	4,019 (50%)	6,619 (83%)	1,366 (17%)
1932	7,657	4,871 (64%)	6,833 (89%)	824 (11%)
1933	9,283	6,555 (71%)		

*The figures for 1929 and 1930 are not comparable with the corresponding figures of exports from India. This may be due to a difference in classification.

The size of the United Kingdom market in raw goat skins is evident from these figures and India can easily meet the full requirements thereof. The figures in the above table bring out clearly that she has not been slow to take advantage of this positon. Her contribution which numbered 4·0 million pieces (or 50% of the United Kingdom's total imports) in 1931 advanced to 4·9 millions (or 64%) in the following year and further to 6·6 millions (or 71%) in 1933. The marked increase noticeable since 1932 must be largely due to the 10% preference she is entitled to under the Import Duties Act. That India has succeeded in gaining a greater hold on the United Kingdom market will be apparent from the fact that the increase in the total imports in 1933 over the previous year amounting to 1·7 million pieces was credited in full to the former's share. This preference appears therefore, to have been beneficial to India.

With most of these unscheduled preferences it has not been possible to examine the position from the point of view of the United Kingdom import trade as the statistics are not yet available, but whatever conclusions have been possible from the Indian side are given above.

RAW COTTON.

The most important of all India's export commodities is raw cotton and the Indian Delegation at Ottawa strongly pressed their view that all possible steps should be taken to promote its sale in the United Kingdom. India's exports to that country were a small percentage of her total exports and from the United Kingdom point of view India's share accounted for a very small part of the total imports into that country. The chief reason given for the low consumption of Indian cotton by the United Kingdom is that a great bulk of the Indian crop is of short staple, whereas the Lancashire industry has specialised more and more in the finer qualities of goods for which long staple cotton is required. Discussions with the United Kingdom cotton trade representatives at Ottawa showed it to be common ground that the improvement in Indian cotton growing during recent years had made it practicable for English spinners to use substantially larger quantities of Indian cotton than hitherto, and that such a development would be of mutual benefit to both countries. In the circumstances, the Delegation raised the question of a duty on foreign cotton in the United Kingdom but the British Delegation could not entertain the suggestion as the interests

of the British cotton industry placed it out of court. When a duty on foreign cotton imported into the United Kingdom was found to be impossible there still remained the question whether the increased use of Indian cotton by the spinners of the United Kingdom could be stimulated by other methods. Proposals were put forward for an organisation, on which the United Kingdom cotton trade associations and the Indian Central Cotton Committee would be represented, the functions of which would be to bring the Lancashire spinner into closer touch with Indian sources of supply. In Article 8 of the Agreement, His Majesty's Government promised their co-operation in any practicable scheme to encourage the use of Indian cotton in the United Kingdom. In the opinion of the Delegation a wider market for the improved types of Indian cotton would be of real value to the Indian cotton grower and would do much to encourage the development of cotton growing in India on sound lines with properly balanced production of the different types and staples. With the increased areas available for the production of medium staple cotton as a result of the completion of the Lloyd Barrage Canal in Sind this would be a matter of great importance.

In pursuance of the undertaking given by His Majesty's Government the Board of Trade, towards the end of the year 1932, invited the various organisations connected with the Lancashire cotton trade to nominate representatives to a committee to be formed for the purpose of promoting the greater use of Indian cotton in the United Kingdom. The organisations concerned heartily responded and a committee called the "Indian Cotton Enquiry Committee" was set up. This Committee set to work immediately. It was convinced that one of the most profitable lines of action lay in the direction of making practical demonstrations, for the benefit of the Lancashire spinner, of the possibilities of Indian cotton, which alone would break down the existing obstacles against the increased use of Indian cotton in Lancashire. A programme of extensive trials with Indian cottons was accordingly drawn up and several types of Indian cotton were selected for experiment in conversion into yarn first, and then woven into different kinds of fabric using these yarns, partly or wholly.

By July 1933 the Indian Cotton Enquiry Committee completed the experiments on certain types of Indian cotton and a range of cloths, which had been manufactured from Indian cotton, was brought to the notice of the cloth trade at a meeting in Manchester in order to show the possibilities of increased use of Indian cotton revealed by the investigations An important step, taken later in the matter, was the establishment by the Manchester Chamber of Commerce of a Committee of Merchants to work in close co-operation with the Indian Cotton Enquiry Committee, as it was felt that without the co-operation of the merchants who trade with overseas markets, no real advance could be made by the Lancashire mills in the increased use of Indian cotton in their manufactures. At the instance of the Indian Central Cotton Committee, the Indian Cotton Enquiry Committee have since agreed to enlarge the scope of their investigations to include the better grades of short staple Indian cottons which are available in bulk and of which India has large exportable surpluses. Type bales of the varieties suggested by the Indian Central Cotton Committee have been sent to Lancashire in May 1934. Further, Sir Richard Jackson Chairman of the Indian Cotton Enquiry Committee, toured the main cotton

tracts of India in February and March of this year, studying the various types of Indian cotton and their potentialities for increased consumption in Lancashire. Also in accordance with a recommendation which had been made by the British Textile Delegation headed by Sir William Clare-Lees, a Cotton Commissioner for India came out in March 1934 to encourage the Lancashire off-take of Indian cotton and also to assist Indian raw cotton interests. In Lancashire concerted measures have been taken to educate the merchant, the manufacturer and the spinner that it is in their interests to co-operate in the campaign. At the British Textiles Exhibition recently held in London, the Indian Cotton Enquiry Committee arranged for the finest and most comprehensive display, that has ever been exhibited, of yarns, fabrics, etc., made from Indian cotton. With the progress made by the Indian Cotton Enquiry Committee in its work the need to enlist the co-operation of other sections of the industry was also felt. This has now been accomplished by enlarging the membership of the Committee and changing its name to " Lancashire Indian Cotton Committee ". The Indian Central Cotton Committee have prepared a report on the staple length of the Indian cotton crop of 1933-34 season which has been sent to Lancashire for distribution to spinners. The Indian Central Cotton Committee have also impressed upon Government the necessity to develop a compact long staple cotton growing block of at least 3 lakh acres in Sind. The East India Cotton Association of Bombay have also brought to the notice of the Liverpool Cotton Association the changes which they consider necessary in the East Indian Future Delivery Contract of the latter body to encourage " Futures " business in Liverpool in East Indian cottons.

The above shows the action that has been taken to follow up the undertakings given by His Majesty's Government as regards encouraging the increased use of Indian cotton by the Lancashire industry. The position may also be studied from the statistical side.

The following table shows the exports of cotton raw from India to the United Kingdom and to other countries.

Exports of Cotton raw from India—including Kathiawar ports.

Tons (000).

	United Kingdom.	Total.
1927-28	29	480
1928-29	43	663
1929-30	48	727
1930-31	50	701
1931-32	30	424
1932-33	32 (9%)	375
1933-34	61 (12%)	514

Note.—Figures within brackets represent percentages of the total exports.

Exports of raw cotton from India declined from 727 *thousand tons in* 1929-30 to 375 thousand tons in 1932-33. In 1933-34, however, there was a revival, the total exports amounting to 514 thousand tons. The share of the United Kingdom was about 50 thousand tons in 1929-30 and 1930-31. *In the*

next two years, it was approximately 30 thousand tons. The United Kingdom purchases of raw cotton from India increased very considerably, however, in 1933-34 amounting to 61 thousand tons. The percentage share of the United Kingdom in the total trade from India was 9 per cent. in 1932-33 but it rose to 12 per cent. in the following year. Thus, there has been a considerable increase in the exports of raw cotton from India to the United Kingdom, the figure for 1933-34 being the highest in the last seven years.

The following table gives the imports of cotton raw into the United Kingdom.

Imports of Cotton raw into the United Kingdom.

	Tons (000).			
	Total.	India.	Empire Countries.	Foreign Countries.
1928	673	43	86	587
1929	687	47	94	593
1930	542	54	92	450
1931	487	47	64	423
1932	561	24 (4%)	60(11%)	501(89%)
1933	626	49(8%)	86(14%)	538(86%)

The total imports of raw cotton into the United Kingdom were 687 thousand tons in 1929. They fell to 487 thousand tons by 1931 but the imports went up in the next two years, amounting to 561 thousand and 626 thousand tons in 1932 and 1933 respectively. India's share was 50 thousand tons in the three years 1929 to 1931. In 1932 it fell very low amounting to 24 thousand tons or only 4 per cent. of the total imports. In 1933, however, the United Kingdom absorbed 49 thousand tons of Indian cotton or 8 per cent. of her total requirements. It can be seen that the imports in 1933 are again comparable with those in the earlier years. It may be noted that the parity in 1933-34 has been improving in favour of Indian cotton as against the American and the general increased purchases of Indian cotton by overseas markets are due to a large extent, to this immediate factor, which of course affects all markets including the United Kingdom.

The following table gives the price parity of raw cotton for the cotton season (September to August) from 1927-28.

Price Parity of Cotton, raw.

Season.	Liverpool prices Pence per lb. American Middling.	Liverpool prices Pence per lb. Indian No. 1 Fine Oomra.	Parities (Indian price expressed as percentage of American).
1927-28	11·17	9·21	82·5
1928-29	10·52	8·03	76·3
1929-30	9·09	6·39	70·3
1930-31	5·71	4·02	70·4
1931-32	4·82	4·32	89·6
1932-33	5·48	4·84	88·3
1933-34 (September—March).*	5·78	4·37	75·6

* Figures for 1933-34 are estimates.

It will be seen that the parity was on a considerably high level in 1931-32 and 1932-33. As a result, the purchases of Indian raw cotton by all overseas markets suffered. In 1933-34, parity was again more favourable to Indian cotton, and as a result the consignments from India to the world markets in general have improved considerably.

IRON AND STEEL.

(*Supplementary Agreement*).

The Indian Delegation observed that the position of the Indian iron and steel exports to the United Kingdom needed careful consideration. The reorganization of the British iron and steel industry which would come about as a result of the recommendations of the British Tariff Advisory Committee would inevitably raise the question of replacing imports of pig iron and certain sorts of steel from the Continent. If agreement could be reached with the British Government, Indian pig iron and steel would replace much of the Continental material. But if agreement were not reached before the general lines of the reorganization of the British industry were settled, there was every reason to apprehend that new furnaces and new sheet bar mills would be established in the United Kingdom, and that as soon as these came into operation Indian iron and steel would become subject to duty under the Import Duties Act and India's market in the United Kingdom would be seriously affected. Export markets for pig iron were extremely necessary for India in the present condition of the trade in that article. The purchases of pig iron by Japan had greatly diminished in recent years and if India's production of pig iron was not to suffer a heavy reduction, enlarged outlets for the product must be found in other directions. The United Kingdom market for Indian pig iron had been growing in importance in recent years and it would have been a distinct loss to India if free entry into this market were denied to it. Moreover the development of the Indian steel industry had reached a stage when the export of steel rails and semi-finished steel in the shape of sheet bars and billets was beginning to be possible. If new impediments to the trade were not erected in the United Kingdom important developments in this line were probable in the next few years. This was a point of great importance to the Indian steel manufacture. The world-wide trade depression had led to a rapid decline in the Indian demand for all forms of rolled steel, and in particular the quantity of steel rails taken by Indian railways had fallen considerably in recent years. As a result the plant at Jamshedpur was not fully employed In the circumstances, the creation of a new outlet for substantial quantities of sheet bars and billets would do much to compensate for the falling off in the demand for rails. India could, however, secure free entry for her exports of iron and steel to the United Kingdom on certain conditions only. That country would not be satisfied with merely a preference on import into India on unprotected classes of iron and steel and the Delegation were unwilling to alter the rates of duty which had been fixed after full investigation by the Tariff Board in the case of preferential groups. The only item on which they could consider preference was galvanised sheet. In recent years the United Kingdom had been feeling the competition of Belgium keenly in the import trade of galvanised sheet into India. The duty was a uniform one of Rs. 67 *plus* the surcharge for all countries. Further the trade in galvanised sheet was of great importance to the British

iron and steel industry, and in 1927-28, this trade accounted for 48 per cent. of the total imports of British steel into India while even in 1931-32 it was 38 per cent. of the total value. The declared value of the United Kingdom total imports in the meanwhile had fallen from Rs. 7·2 crores to Rs. 1·06 crores. It is evident from these figures how gravely the new competition from Belgium had affected the British industry, more especially as it became intense at a time when demand, was declining and prices were falling. From the Indian point of view also, a preference on this item would not be in any way disadvantageous. The Indian manufacturers could not meet the total demand for galvanised sheets in India and even with increased capacity only half the consumption could be so supplied leaving another half to be met by imports. The duty on galvanised sheet was Rs. 83-12-0 at the time of the Ottawa Conference. The Delegation proposed that this duty should remain unchanged as far as sheet from foreign countries were concerned. Sheet made in the United Kingdom from sheet bars, other than Indian, were to be subject to a duty of Rs. 53 a ton, whereas sheet made in the United Kingdom from the Indian sheet bar were to be taxed at Rs. 30 a ton. In the opinion of the Delegation this would be fair both to the Indian producer and to the Indian consumer. The preference afforded to the United Kingdom on sheet made from sheet bars, other than Indian, was just enough to enable her to compete with foreign sheets. The further preference given on sheet made in the United Kingdom from Indian sheet bars would encourage Indian exports of that article and the industrial interests in both the countries considered business would be possible at that level of duty. The Delegation therefore recommended these rates of duty. With this agreement in force, imports of Indian iron and steel into the United Kingdom were admitted free. The effects of this Agreement on the exports of Indian pig iron and Indian sheet bar are examined below.

PIG IRON.

The following table gives the exports of pig iron from India.

Exports of Pig Iron from India.

	Tons. (000).				Rs. (000).			
	Total.	U. K.	Empire Countries.	Foreign Countries.	Total.	U. K.	Empire Countries.	Foreign Countries.
1929-30	568·8	71·2	75·2	493·6	2,59,40	33,21	34,97	2,24,43
1930-31	439·1	99·0	102·8	336·3	1,70,40	38,48	39,96	1,30,44
1931-32	350·9	69 1 (20%)	72·2 (21%)	278·7 (79%)	1,22,70	24,11	25,19	97,51
1932-33	218·4	75·8 (35%)	79·8 (37%)	138·6 (63%)	74,32	26,06	27,46	46,86
1933-34	377·5	93 1 (25%)	96·7 (26%)	280·8 (74%)	85,03	21,55	22,56	62,47

The total exports in 1933-34 amounted to 377 thousand ton as compared with 218 thousand tons in the preceding year and 351 thousand tons in 1931-32. The exports thus show a considerable increase over the two preceding years though they fell short of the level attained in earlier years. The share of the United Kingdom in 1933-34 amounted to 93 thousand tons as compared with 76 thousand tons in the preceding year and 69 thousand tons in 1931-32, so that

the exports to the United Kingdom show a consistent increase in the last three years. The share of the United Kingdom in 1931-32 was 20 per cent. of the total trade ; it rose to 35 per cent. next year but in 1933-34 it receded to 25 per cent. again. It appears that with the imposition of the Import Duties Act and the consequential preference which India received, exports to the United Kingdom showed increases in 1932-33 and 1933-34. As a result of special causes, which are not likely to prove permanent, exports to other countries in 1933-34 show a much larger increase than the exports to the United Kingdom. In other words, the actual benefit of the preference has been somewhat obscured by the changes in the export trade to foreign countries.

The following table gives the imports of pig iron into the United Kingdom.

Imports of pig iron into the United Kingdom.

Tons (000).

	Total Imports.	From British India.	From Empire Countries.	From Foreign Countries.
1929	122·0	28·0	28·1	93·9
1930	290·5	126·0	126·1	164·4
1931	284·0	46·8 (16·5%)	47·3	236·7
1932	135·0	83·4 (61·8%)	83·4	51·6
1933	93·0	80·6 (86·6%)	—	—

The total imports of pig iron into the United Kingdom in 1933 were 93 thousand tons as compared with 135 thousand tons in the preceding year and 284 thousand tons in 1931. Thus, imports show a very considerable decline in the last three years. India's share in 1931 was 47 thousand tons or 16½ per cent. of the total imports. In 1932 it rose to 83 thousand tons or nearly 62 per cent. of the total trade. In the latest year the consignments from India showed a slight decline to 80 thousand tons but the percentage share amounted to over 86½. It will thus be seen that India's percentage share had been growing very rapidly in the last three years and at present India is the predominant supplier of pig iron to the United Kingdom. Imports from foreign countries have declined precipitously from 237 thousand tons in 1931 to less than 13 thousand tons in 1933. Thus, India has been able to capture the United Kingdom market from foreign countries. This must be due to a considerable extent to the preference she received in the United Kingdom market.

STEEL BARS.

Comparative figures for exports of steel bars are not available for earlier years, as the item was separately specified from April 1933 only. In earlier years, bars and channels of iron and steel were all grouped together. The figures of 1933-34 given in the following table show however that the group chiefly consisted of steel bars.

Exports of Steel Bars from British India.

(Tons)

		Total Exports.	To United Kingdom.	To Other Countries.	
1929-30	.. .. ..	124	..	124	Bars and Channels.
1930-31	.. .. ..	25	..	25	Bars and Channels.
1931-32	.. .. ..	9,419	9,317	102	Bars and Channels.
1932-33	.. .. ..	23,121	16,337	6,784	Bars and Channels.
1933-34	Bars	46,365	41,099	5,266	
	Bars and Channels				
	Other ..	35	5	30	

NOTE.—Steel bars separately specified since April 1933.

The total exports of bars and channels, chiefly steel bars, were 9 thousand tons in 1931-32. They rose to 23 thousand tons in 1932-33. With th iron and steel Supplementary Agreement coming into force at the beginning of 1933 exports of steel bars increased very considerably, the figures for 1933-34 being nearly double of that of the combined head in 1932-33. The share of the United Kingdom was 9 thousand tons in 1931-32 ; it rose to 16 thousand tons in 1932-33 and more than doubled itself in 1933-34 amounting to 41 thousand tons. It will thus be seen that as a result of the Supplementary Agreement, shipments of steel bars have increased very considerably during 1933-34. Indian exports of steel bars therefore have profited greatly as a result of the Agreement.

The following table gives the monthly exports to India from the United Kingdom of galvanised sheets rolled out of British and Indian steel bars.

Exports to India from United Kingdom of galvanised sheets rolled out of steel

1933.	British Tons.	Indian Tons.	Total Tons.
January	21,907	91	21,998
February	6,635	45	6,680
March	6,071	..	6,071
April	4,697	101	4,798
May	2,599	2,084	4,683
June	2,482	1,736	4,218
July	1,987	1,431	3,418
August	2,609	1,951	4,560
September	2,618	1,807	4,425
October	3,217	3,248	6,465
November	3,031	3,833	6,864
December	3,491	3,548	7,039
Total for 1933	61,344	19,875	81,219
	(75·5%)	(24·5%)	(100)

Exports to India from United Kingdom of galvanised sheets rolled out of steel
—contd.

	British Tons.	Indian Tons.	Total Tons.
1934.			
January	3,621	2,590	6,211
February	3,828	2,723	6,551
March	4,430	2,689	7,119
Total January 1933 to March 1934	73,223	27,877	101,100
	(72·4%)	(27·6%)	(100)
Total May 1933 to March 1934	33,913	27,640	61,553
	(55·1%)	(44·9%)	(100)

The Agreement was signed at the end of December 1932 but it took some time before exports of steel bars from India could reach the United Kingdom, be rolled into sheets and exported to India. The consignment of sheets rolled out of Indian steel bars only started from May 1933. From that period up to the end of March 1934 nearly 28 thousand tons of galvanised sheets rolled from Indian steel bars were exported from the United Kingdom. In other words nearly 45 per cent. of all the sheets exported from the United Kingdom from May 1933 to March 1934 were made from Indian steel bars.

CHAPTER II.

Imports into India.

Introductory Note.

The growth or otherwise of the import in the articles on which India has granted preferences is a matter of more direct importance to the United Kingdom and to her foreign competitors in the trade than to India. India's main interest in the import trade arises from two other aspects of the scheme of preferences. Firstly, we have to see whether the preferences have affected the Indian consumer of imported articles adversely or not, *i.e.*, we have to examine the course of prices as a result of the preference. Secondly, the effects, if any, of the preferences on the position of the Indian industries have to be watched. As far as the effects on the consumer is concerned, these will be dealt with fully in the chapter on prices which follows. There is not much material available from which to arrive at any conclusion regarding the effects of the preferences on Indian industries as many of these industries are what may be termed "small scale" without any organized association of establishments and it is has not been possible to obtain much statistical material relating to their progress: the large industries in India are hardly affected by the scheme of preferences. Apart from these two important aspects India's interests in the developments in the import trade are much smaller than those of the countries which are in receipt of the preferences. As, however, the examination of the position of India's total trade would not be complete without a consideration of the import side as well as the export side and further as the examination is being made in order to ascertain, as far as possible, the relative importance of the whole scheme of preferences to India and the United Kingdom respectively the import trade has to be studied, at least in its broad aspects. In the paragraphs which follow, this aspect of the examination is therefore undertaken. Before beginning a detailed study of the various groups of articles, however, general tendencies operating in the import trade may be indicated in order that it may be possible more correctly to gauge the results of the preference.

The difficulty of isolating the effects of any one particular factor, such as a preference, on trade has already been noted in the chapter dealing with India's exports. Stress was laid on the fact that there are numerous forces operating at the same time, some in one direction, some in another. Even in drawing probable conclusions it is necessary therefore to indicate as far as possible, all the important forces at work including the particular one under study. In attempting to ascertain the effects of the preferences granted by India it is therefore essential to study these other influences on India's import trade during the period under consideration even although it will not be possible to isolate, for purposes of an exact examination, effects due to them from those due to preference alone.

The first point to be noted in studying the import trade relates to the major effects of what is termed the trade cycle. The present trade depression has been with us for over four years. In this period, the value of our production and also of our exports has progressively deteriorated, and with

this deterioration our ability to purchase imports from abroad has diminished In the last few years, owing to the catastrophic fall in prices, our agricultural income, which is the predominant part of our national income, has probably fallen to the extent of 50 per cent. On a rough calculation made regarding the total value of production of the principal crops in the main provinces in India it was found that the value of these crops had fallen from Rs. 1.018 crores in 1928-29 to Rs. 535 crores in 1932-33 (agricultural years). In the same period the total value of our exports had fallen from Rs. 330 crores to Rs. 132 crores, a fall of 60 per cent. Such enormous falls were bound to affect our purchase of imports from abroad. Another point which affected imports adversely, was that prices of our exports fell much more than those of our imports. The following table shows the price movements in the case of exported and imported articles.

Calcutta Index Number Series.

	Exported Articles.	Imported Articles.
1929, September	133	150
1931, December	81	124
1932, December	69	115
1933, January	70	115
February	69	111
March	65	110
April	66	111
May	71	111
June	75	113
July	78	113
August	74	114
September	72	114
October	71	114
November	72	111
December	73	112
1934, January	77	113
February	76	112
March	76	111
Fall as compared with September 1929—		
In March 1932	45	18
„ December 1932	48	23
„ March 1933	51	27
„ December 1933	45	25
„ March 1934	43	26

It will be seen that the fall in the prices of exported articles in December 1933 as compared with September 1929 was 45 per cent. whereas in the case

of imported articles the fall was only 25 per cent. The position in March 1934 was that exported articles showed a fall of 43 per cent., whereas imported articles showed only 26 per cent. It will be clear from these figures that there is a great disparity between the prices of exported articles and those of imported articles and this naturally affects the quantity of imported articles consumed and consequently the import trade. Another important point to be noted in this connection is that at all times, India is a price market and cheapness is generally a deciding factor in determining the purchases of the Indian masses. Imports from the United Kingdom are generally of high quality, and consequently more expensive than the low grade and cheap imports from countries like Japan or Germany. This preference for cheap grades is particularly accentuated at a time of intense economic depression such as the present. As a result imports from the United Kingdom would normally suffer more than the cheaper imports from other countries. This disadvantage to the United Kingdom would have been much greater had it not been for the preference which enabled the United Kingdom to compete on more favourable terms with the cheap imports from the other countries. But this peculiarity of the Indian market has to be borne in mind in considering imports from the United Kingdom.

Apart from these general considerations, there are certain peculiar factors which have to be noted. In the first place, the trade figures of 1932-33 and part of 1931-32 showed an improvement as far as imports from the United Kingdom were concerned. This was due to England going off the gold standard which made imports from the gold countries difficult on account of the rupee appreciation of the gold currencies. As a result imports from the United Kingdom naturally increased to a certain extent in 1932-33. On the other hand, in 1933 America, one of the United Kingdom's chief competitors, also depreciated her currency. Consequently, imports from that country revived to a large extent in the year 1933-34. This increased competition affected the figure of imports from the United Kingdom in the latter year. The import figures of 1933-34 as compared with those of 1932-33 do not therefore bring out fully the effects of the preferences which the United Kingdom received in the Indian market. A second factor of importance was the depreciation of the Japanese exchange and its serious effect on imports from other countries, chiefly the United Kingdom. The avalanche of imports from Japan rushed in with greater force at the end of 1932 and affected, to a large extent, the imports of the latter part of 1932-33 and the whole of 1933-34. The imports from the United Kingdom were naturally affected and the disadvantage which that country thereby suffered reduced the apparent effects of the 10 per cent. preference.

Lastly, there is another factor to be taken into consideration. As a result of the financial stringency, the Indian Government was forced to increase its customs duties very considerably in March 1931 and in the supplementary budget in September of the same year. As a result of the high revenue duties then imposed certain industries grew up within India. The sentiment of *swadeshi* was also responsible, to some degree, for the fostering of these industries and the growth of this production in India naturally affected the imports of similar articles from abroad.

All these factors affected the imports in the last year and a half and tended to depress the imports from the United Kingdom. Against this is to be set the preferential duty of 10 per cent. If therefore these duties enabled the United Kingdom to maintain her position or even moderated the fall so that her imports did not suffer to the same extent as imports from other countries then it may be concluded that the United Kingdom profited from the preferences granted to her. The detailed notes which follow and the statistical position of the United Kingdom imports into India should be studied in the light of all the above factors if any tolerably accurate conclusion is to be drawn as regards the trend of the trade and the effect of the preferences.

INDO-BRITISH TRADE.

The course of the Indo-British trade during the past five years is illustrated in the following table :—

Total trade between India and the United Kingdom.

	1928-29.	1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Imports into India, from the United Kingdom in lakhs of rupees ..	113,24	103,10	61,29	44,81	48,80	47,59
Imports as per cent. of imports from all Empire countries	82·9	82·8	80·6	79·1	82·2	82·5
Imports as per cent. of total imports of India	44·7	42·8	37·2	35·5	36·8	41·2
Imports as per cent. of total exports of the United Kingdom*	11·6	10·7	9·3	8·3	9·3	9·1
Exports from India to United Kingdom in lakhs of rupees	69,04	66,56	51,77	42,88	36,96	46,58
Exports as per cent. of Exports to all Empire countries	60·0	60·4	60·1	62·9	61·8	68·9
Exports as per cent. of Total Exports of India	20·9	21·4	23·5	27·5	27·9	31·8
Exports as per cent. of total imports of United Kingdom*	5·4	5·1	4·9	4·3	4·6	5·5

* Figures are taken from, or based on, the United Kingdom trade returns and relate to calendar years.

The facts that emerge from an examination of the above table are :—

1. Imports into British India from the United Kingdom declined from 1928-29 to 1931-32 after which there was a recovery. Indian exports to the United Kingdom also declined but in this case recovery began only in 1933-34.
2. With the exception of 1932-33 and 1933-34 the imports of British goods into India have formed progressively a less important part of India's total imports, whether from all countries or from British Empire countries alone. In other words the United Kingdom has failed to maintain her 1928-29 position in the Indian market and her sales to the rest of the world have not slumped so heavily.
3. On the other hand exports from India to the United Kingdom have become a larger part of total Indian exports and at the same time the same goods have formed a smaller part, except in 1933-34

of the total imports into the United Kingdom. In other words, the United Kingdom, as a market for Indian goods, proved to be of much greater importance without having deteriorated, as a buyer from other countries.

The situation may be summarised in the statement that although after the Ottawa Trade Agreement the United Kingdom has improved her position in the Indian market, there is still a good deal of leeway for her to make up. On the other hand, she proved to be an increasingly important market for Indian goods.

In the present chapter an attempt will be made to illustrate the effect of the preferences given in the Ottawa Trade Agreement on the import trade of British India. These preferences fall into two categories :—

(*i*) Preferences granted to the United Kingdom in respect of commodities listed in Schedule F appended to the Report of the Indian Delegation to the Imperial Economic Conference at Ottawa.

(*ii*) Preferences granted to non-self governing colonies in respect of articles in schedule H of the Report already referred to.

Taking first the preferences granted to the United Kingdom the list excludes such items as cotton piecegoods, iron and steel, etc., which are liable to protective duties in India. These two items together made up 25 per cent. of the total value of the imports from the United Kingdom in 1933-34. The following paragraphs analyse the trade with the United Kingdom in relation to the other countries in respect of the major commodities which are generally liable to preferential duties. Generalisations from the data given therein, must be made with great caution, for there are certain factors which have largely overshadowed the effect of these preferences. It may be noted that any advantages gained by the United Kingdom as a result of the preferential duties, were minimised to some extent by intensive competition from countries, notably Japan, with depreciated currencies. In many cases this competition proved so serious to local industries that action had to be taken, by the introduction of alternative minimum specific duties to restore as far as possible the competitive price position of the year 1931 in respect of such articles, retaining at the same time whenever necessary the margin of preferences already granted to the United Kingdom.

APPAREL.

Imports under this head are recorded only in value. Judging from the statistics, so far as available from the trade returns, for the three items, *viz.*, apparel (including drapery uniforms, accoutrements) caps, bonnets and hatters ware and second-hand clothing which under the Ottawa Trade Agreement are liable to a preferential duty of 10 per cent., in so far as they are not subject to duty under Nos. 45A and 133 of the Indian Tariff Act, total imports have shown comparatively small fluctuations in recent years. As compared with 1932-33 there was an improvement from Rs. 66 lakhs to Rs. 69 lakhs. But the United Kingdom imports fell from Rs. 21½ lakhs to Rs 20 lakhs. The inability of the United Kingdom imports to react to the preference is, however, to be attributed to the increasing keenness of competition from Japan which country has been rapidly increasing her share at the expense of the United Kingdom for some years past.

The position in this line of trade is illustrated in the following table.

	3 years average ending 1929-30.	Value in rupees (000).			
		1930-31.	1931-32.	1932-33.	1933-34.
Apparel.					
Imports from U. K.	62,14	29,38	22,13	21,48	20,06
Total all countries	1,27,30	80,00	69,03	65,73	69,04
Percentage of U. K. to total ..	49	37	32	33	29

ARMS, AMMUNITION.

The trade under this head has been falling progressively in recent years, mainly as a result of the reduced purchasing power. Total imports of cartridge cases fell off from 20·9 millions in 1932-33 to 16·6 millions in 1933-34 or by 21 per cent. consignments from the United Kingdom also declined from 17·9 millions to 14·2 millions although her percentage share in the total imports remained fairly steady at 86 per cent. On the other hand the U. S. A. had succeeded in raising her share from 0·8 millions to 1·4 millions.

In the case of firearms the total imports fell off from 19,000 to 13,000 or by 32 per cent., while over the same period the United Kingdom's share went down from 14,000 to 8,000 or by 43 per cent. The decline is thus to be set almost wholly against the United Kingdom. Actually, however, among other countries, Germany and U. S. A. have achieved some little progress in the matter of imports relatively to 1932-33.

The table given below exhibits the relative movements in the trade under the two sub-heads :—

Arms, ammunition, etc.	3 years average ending 1929-30.	Quantity Nos. (lakhs.)			
		1930-31.	1931-32.	1932-33.	1933-34.
(*i*) *Cartridge cases (filled empty).*					
Imports from U. K.	147	130	260	179	142
Total all countries	221	192	336	209	166
Percentage of U. K. to total ..	66	68	77	86	86
	3 years average ending 1929-30.	Value in rupees (000).			
		1930-31.	1931-32.	1932-33.	1933-34.
Imports from U. K.	10,97	9,35	17,25	13,47	9,85
Total all *countries*	16,48	12,57	19,91	15,03	10,86
Percentage of U. K. to total ..	67	74	87	90	91

	Quantity Nos. (000).					Value Rs. (000).				
	3 years average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.	3 years average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
(*ii*) *Fire arms,*										
Imports from U. K.	17	14	26	14	8	13,64	10,88	18,95	9,44	7,30
Total all countries.	31	24	38	19	13	21,44	15,42	24,67	11,76	9,81
Percentage of U. K. to total.	55	58	68	74	62	64	71	77	80	74

ASBESTOS MANUFACTURES.

The imports of asbestos manufactures which comprise asbestos packing and other manufactures receded to less than one half the average value of their imports in the three years ended 1929-30 and were valued at Rs. 16 lakhs in 1933-34. The market is supplied chiefly by the United Kingdom which accounted for Rs. 11 lakhs or 70 per cent. of the total value in 1933 as against Rs. 9½ lakhs or 69 per cent. in 1932-33. The only competition being from Belgium and Germany which have a relatively small share in the trade. The figures are given below separately for asbestos packing and other manufactures :—

	Value in thousand rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Asbestos manufactures— *Asbestos packing.*					
Imports from United the Kingdom ..	5,08	3,43	1,92	2,13	2,03
Total all countries	5,77	5,15	2,54	2,68	2,25
Percentage of U. K. to total ..	88	67	76	79	90
Other manufactures—					
Imports from the United Kingdom	20,39	14,37	9,24	7,33	9,19
Total all countries	28,55	23,21	12,88	10,94	13,71
Percentage of United Kingdom to total	71	62	72	67	67

BOOTS AND SHOES—ALL LEATHER.

The imports of leather boots and shoes were as follows :—

	Quantity in thousand pairs.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Boots and shoes (all leather)—					
Imports from U. K.	367	173	109	107	101
Total all countries	481	274	244	425	349
Percentage of U. K. to total ..	76	63	45	25	29
	Value in thousand rupees.				
Imports from U. K.	19,85	9,70	5,93	5,33	5,26
Total all countries	25,35	12,95	11,07	14,22	12,16
Percentage of U. K. to total ..	78	75	54	37	43

In the three years ending 1929-30 import of leather boots and shoes amounted to 481,000 pairs valued at Rs. 25 lakhs of which the United Kingdom supplied 367,000 pairs valued at Rs. 20 lakhs or 76 per cent. in quantity and 78 per cent. in value. Since then the import trade has declined, except in 1932-33 when 425,000 pairs valued at Rs. 14 lakhs were imported into India. Of these the United Kingdom supplied 107,000 pairs or 25 per cent. and Czechoslovakia including consignments from Italy which are probably of Czechoslovakian origin, 269,000 pairs or 63 per cent. Judged by value the corresponding percentage shares were 37 and 52 per cent. In 1933-34 the total imports declined again to 349,000 pairs valued at Rs. 12 lakhs, the United Kingdom supplying 101,000 pairs valued at Rs. 5½ lakhs and Czechoslovakia and Italy together 192,000 pairs valued at Rs. 5¼ lakhs. The relative shares of the United Kingdom and Czechoslovakia including consignments from Italy were 29 and 55 per cent. in quantity and 43 and 45 per cent. respectively in value. The fall in the total imports from abroad and from the United Kingdom in particular is partly due to the restricted purchasing power which has resulted in the substitution of cheap kinds (chiefly rubber soled) of footwear, imported mainly from Japan, and partly to the competition from local factories, the most important of which is that established near Calcutta by Messrs. Bata. It will be seen that whereas the total trade decreased very largely the import from the United Kingdom were more or less maintained and this position may be attributed, at least in part, to the preference granted to that country by India.

BRUSHES.

Quantitatively, imports under this head fell from 718,000 doz. valued at Rs. 13 lakhs in 1932-33 to 525,000 dozen valued at Rs. 11 lakhs in 1933-34. But despite this, the imports from the United Kingdom increased from 77,000 dozen to 95,000 dozen in quantity and from Rs. 4 lakhs to Rs. 5 lakhs in value. There was *thus an appreciable increase in the percentage* share of the United Kingdom from 11 per cent. to 18 per cent. on the basis of quantity and from 31 to 43 per cent. on the basis of value. The significance of this increase in the percentage share of the United Kingdom will be better appreciated if it is realised that even before the onset of the full vigour of Japanese competition in this line of trade, the United Kingdom had supplied only 14 per cent. of the total quantity imported in 1931-32 and on an average 15 per cent. during the three years ending 1929-30. The increase in the United Kingdom's share in 1933-34 relatively to 1932-33 was due mainly to larger imports under classifications other than paint and varnish brushes. Imports of paint and varnish brushes from the United Kingdom declined from 26,000 dozen to 24,000 dozen or by a little below 8 per cent.; but it is important that over the same period imports from other sources fell off from 71,000 dozen to 56,000 dozen or by 21 per cent. Imports of toilet brushes from the United Kingdom showed an increase from 23,000 dozen to 27,000 dozen which is of considerable importance in view of the fact that the total imports from all sources under this classification declined heavily from 433,000 dozen to 221,000 dozen. The increase in the United Kingdom trade was however, more appreciable under "other brushes", imports under this classification having risen from 29,000 dozen to 44,000 dozen or by 52 per cent. against an increase of 13 per cent. in the combined share of other countries which rose from

159,000 dozen to 180,000 dozen. The position has been set out in the following table :—

Brushes.	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in doz. (000).				
Imports from U. K.	78	54	51	77	95
Total all countries	519	477	376	718	525
Percentage of U. K. to total ..	15	11	14	11	18

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Value in R. (000)				
Imports from U. K.	5,41	3,87	3,04	3,92	4,72
Total all countries	13,89	11,65	8,63	12,54	10,97
Percentage of U. K. to total ..	39	33	35	31	43

It is clear that the position of the United Kingdom has improved considerably under this item as a result of the preference.

BUILDING AND ENGINEERING MATERIALS OTHER THAN IRON, STEEL OR WOOD.

The total imports under the classes subject to preferential treatment under the Ottawa Trade Agreement Act, amounted to Rs. 42 lakhs as compared with Rs. 50 lakhs in 1932-33. At the same time, the proportion creditable to the United Kingdom of the total value as recorded above, amounted to Rs. 21 lakhs in 1933-34 against Rs. 24 lakhs in the preceding year. The above figures indicate a percentage decline of a little above 12 per cent. in the case of the United Kingdom against one of 19 per cent. in the case of imports from other sources. The decline in the trade with the United Kingdom was almost wholly in the imports of cement. Tiles and fire-bricks actually showed considerable improvements in relation to the imports of 1932-33. Thus the imports of fire-bricks from the United Kingdom advanced from 471,000 to 680,000 in number, and those of tiles from 1,785,000 to 1,835,000. The importance of these increases is however, diminished by the facts that fire-bricks practically constitute a monopoly trade of the United Kingdom, and that in the case of tiles, the increase in the absolute share of the United Kingdom was overshadowed by sharp increase in the share of Japan from 5,005,000 in 1932-33 to 9,620,000 in 1933-34. In the case of tiles, therefore, in spite of the increase in the volume of imports from the United Kingdom her percentage share in the total trade went down from 17 to 13 per cent. The most important item in the group under consideration however is Portland cement. Under this head the United Kingdom was able to maintain her predominant position and further to improve her percentage share from 41 to 48 per cent., in spite of the fact that the quantity supplied by her, recorded a decline of 6 per cent. from 33,000 tons in 1932-33 to 31,000 tons in 1933-34. As is to be inferred from the trend of the percentage share of the United Kingdom the total imports of Portland cement into India had fallen off at a relatively larger rate namely from 80,000 tons to 64,000 tons or by 20 per cent. The falling off in the foreign imports, however, was due in the main to increasing Indian production.

BUTTONS, METAL.

The total imports under this head which are recorded only in value practically remained stationary at Rs. 9½ lakhs, but despite this the United Kingdom as a result of the preference was able to improve her share in the total trade from 6 per cent. in 1932-33 to 11 per cent. in 1933-34, the value of her trade having improved from a little over Rs. ½ lakh to Rs. 1 lakh. The following table may be found sufficiently instructive.

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	R (000)	R (000)	R (000)	R (000)	R (000)
Buttons—					
Imports from U. K. ..	105	48	64	60	1,05
Total all countries ..	10,58	6,69	6,36	9,47	9,54
Percentage of U. K. to total ..	10	7	10	6	11

CHEMICALS AND CHEMICAL PREPARATIONS (EXCLUDING CHEMICAL MANURES AND MEDICINES).

By the Heavy Chemical Industry (Protection) Act, 1931, protective duties at different rates were levied on certain specified chemicals manufactured in India only up to the 31st March 1933. This had the effect of restricting the imports of these chemicals during this period. Under the Ottawa Trade Agreement some of these chemicals were subject to preferential duties which came into force on the 1st April 1933. The following figures relating to the imports of all classes of chemicals throw some light on the position of the United Kingdom in the trade :—

	Value in lakhs of rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Chemicals and chemical preparations :—					
Imports from the United Kingdom	1,51	141	141	140	149
Total all countries ..	264	261	257	271	270
Percentage of the United Kingdom to total	57	54	55	52	55

The improvement in the share of the United Kingdom during the past year partly results from increased imports of sodium carbonate and caustic soda both of which enjoy preferential duties. The participation of the United Kingdom in the import trade of sodium carbonate rose from 854,000 cwts. or 77 per cent. out of a total import of 1,103,000 cwts. in 1932-33 to 893,000 cwts. or 79 per cent. of the total import of 1,131,000 cwts. in 1933-34. In caustic soda also the United Kingdom increased her share from 230,000 cwts. or 81 per cent. to 260,000 cwts. or 84 per cent., total imports rising from 285,000 cwts. to 308,000 cwts. Among other preferential items the share of the United Kingdom, both actual and relative, in the imports of ammonia and salts thereof, disinfectants other than napthalene, bichromate of soda and cyanide of sodium increased, while in potassium bichromate there was a decrease.

CORDAGE AND ROPE OF VEGETABLE FIBRE.

Under this head, which excludes cordage and ropes of jute and cotton, imports from the United Kingdom showed an increase from 4,500 cwts. to 6,500 cwts. The significance attaching to this improvement is in some measure reduced by the fact that a part of this increase has to be ascribed to an enlargement of the import demand for these articles in the Indian market. as is evidenced by the fact that imports from sources other than the United Kingdom also advanced from 10,500 cwts. to 11,500 cwts. But even making allowance for this, the United Kingdom succeeded in increasing her advantage *vis a vis* other competitors, her percentage share advancing from 30 per cent. in 1932 to 36 per cent. on the basis of quantity and at a slightly higher rate on the basis of value, *viz.*, from 34 per cent. to 42 per cent. as has been brought out in the following table :—

	Quantity in cwts. (000).					Value in R. (000).				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Cordage and rope of vegetable fibres (excluding jute and cotton).										
Imports from U. K. ..	8·3	9·7	5·9	4·5	6·5	4,56	4,96	2,88	2,00	2,49
Total all countries ..	20·3	22	20	15	18	10,18	9,85	7,32	5,83	5,91
Percentage of U. K. to total..	41	44	30	30	36	45	50	39	34	42

This improvement in the United Kingdom's share was practically the result of the preferential advantage she received in the Indian market.

CORK MANUFACTURES.

The share of the United Kingdom in this line of trade had suffered a severe reduction from 39 per cent. in 1931-32 to 10 per cent. in 1932-33 as a result of a large increase in the imports from the Philippine Islands. During the year under review there was a further increase in the absolute share of the Philippine Islands but notwithstanding this, the contribution of the United Kingdom more than doubled and her percentage share increased from 10 per cent. in 1932-33 to 13 per cent. in 1933-34, although her total supplies at 1,000 cwts. valued at a little above R. ½ lakh was still very small in comparison with the total imports returned at 8,000 cwts. valued at Rs. 5 lakhs. The preference would appear to have been of some assistance to the United Kingdom.

CUTLERY OTHER THAN PRUNING KNIVES.

In cutlery, other than pruning knives, the United Kingdom experiences competition from Germany but the 10 per cent. preference granted to the United Kingdom has enabled her to improve her position. Total imports

showed a small increase from Rs. 23 lakhs in 1932-33 to Rs. 24 lakhs in 1933-34 and the share of the United Kingdom rose from Rs. 5,30,000 or 23 per cent. to Rs. 6,41,000 or 27 per cent., while that of Germany fell from 14⅓ lakhs or 62 per cent. to 13¾ lakhs or 57 per cent.

DRUGS AND MEDICINES.

The preferences granted to the United Kingdom in this class of goods are limited to proprietary and patent medicines and certain other drugs (except aloes, asafoetida, camphor, cocaine, morphia, opium, sarsaparilla and storax). The total value of proprietary and patent medicines declined from Rs. 38 lakhs in 1932-33 to Rs. 31 lakhs in 1933-34, but the share of the United Kingdom rose from Rs. 15 lakhs or 40 per cent. to Rs. 16⅓ lakhs or 53 per cent. Among the chief competitors in this line the United States of America supplied 12 per cent. (14 per cent.), Germany 19 per cent. (19 per cent.) and France 6 per cent. (16 per cent.), the previous year's percentages being given in brackets. In other kinds of drugs also the participation of the United Kingdom showed an increase. The preference has been of value to the United Kingdom.

EARTHENWARE AND PORCELAIN.

The 10 per cent. preference granted to the United Kingdom on earthenware and porcelain is not applicable to pipes of earthenware (which are made in India, imports being confined to special qualities) and sanitary ware. Excluding these two items imports of earthenware were valued at Rs. 12⅝ lakhs in 1933-34 as compared with Rs. 14½ lakhs in each of the two preceding years. To the imports in 1933-34 the United Kingdom contributed 51 per cent., Japan 29 per cent. and Germany including consignments from the Netherlands and Belgium which are also of German origin, 11 per cent. as compared with 47,34 and 10 per cent. respectively in 1932-33. The improvement in the position of the United Kingdom at the expense of Japan in this limited trade is noteworthy.

The trade in electrical porcelain is comparatively small, being valued at Rs. 60,000 in 1933-34 as compared with Rs. 135,000 in the preceding year. The supplies were obtained from the United Kingdom (24 per cent.), Germany (36 per cent.) and Japan (40 per cent). Other kinds of porcelain consisting largely of cheap table-ware, common crockery, etc., were imported to the value of Rs. 24 lakhs in 1933-34 as against Rs. 28½ lakhs in the preceding year. The United Kingdom had relatively a small share in this trade amounting to 4 per cent. of the total value while Japan absorbed 91 per cent. as compared with 3 and 92 per cent. respectively in 1932-33. The United Kingdom increased her share slightly in spite of the exceptionally severe competition from Japan.

FURNITURE AND CABINETWARE.

The figures discussed are exclusive of mouldings which are not entitled to any preferential treatment under the Ottawa Trade Agreement Act. In this line of trade the United Kingdom increased her share from Rs. 6 lakhs to Rs. 9 lakhs, but as the total value of the imports from all sources remained stationary at about Rs. 13 lakhs the improvement in the share of the United Kingdom necessarily implied a reduction in the imports

from other countries and involved an increase in her percentage share which worked out at 65 per cent. against 47per cent. in 1932-33. Thus the share of the United Kingdom increased both alsolutely and relatively to other countries, which must to a large extent be due to the preference received by her. The improvement in the trade of the United Kingdom was due entirely to larger importation of furniture, other than wooden furniture and bed-steads. Imports of bedsteads and of wooden furniture other than bed-steads showed a small recession in comparison with 1932-33. There was a decline in the general demand for imports of these articles into the Indian market. Imports of furniture of other materials from the United Kingdom increased from Rs. 3 lakhs to Rs. 6 lakhs, imports from other sources remaining stationary at about Rs. 3 lakhs.

GLUE.

The trade figures available for this head are inclusive of a relatively-unim portant item being clarified liquid glue which is exempted from the preference scheme. Although the total quantity of glue imported advanced from 17,000 cwts. to 20,000 cwts. in 1933-34 the increased demand did not assist the United Kingdom whose share remained practically stationary at a little above 4,000 cwts. The United Kingdom's share relatively to the total quantity imported fell from 25 per cent. to 22 per cent. But the significance of this decline is reduced by the fact that the value of the trade with the United Kingdom in this line had already fallen off to about Rs. 1 lakh in 1932-33 from an average annual of Rs. 2 lakhs for the three years ending 1929-30, and it may be noted that the downward movement in the imports from the United Kingdom had at least been averted in the year 1933-34.

HARDWARE EXCLUDING CUTLERY AND ELECTROPLATED WARE.

This is a comprehensive head and includes a variety of items of which agricultural implements, buckets of tinned or galvanised iron and glass lamps are not liable to preferential duties. Omitting these three classes imports were as follows : –

Value in lakhs of rupees.

Hardware (excluding agricultural implements, buckets of tinned or galvanised iron and glass lamps).	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Imports from United Kingdom ..	178	122	91	85	92
Total all countries	500	350	254	292	281
Percentage of U. K. to total	36	35	36	29	33

Prior to 1932-33, the percentage share of the United Kingdom remained fairly constant around 36 per cent. but in 1932-33, owing to increased competition mainly from Germany and Japan, the United Kingdom share dropped to 29 per cent. In 1933-34, largely on account of the 10 per cent. preferential duties, the United Kingdom share recovered to 33 per cent. Germany's share fell from 37 per cent. to 31 per cent. while that of Japan and the United States of America increased from 10 and 6 per cent. to 12 and 8 per cent., respectively. Analysing the details of the trade in each class of goods, it will be noticed that in builders' hardware such as locks, hinges, door bolts, etc., total imports fell from Rs. 27 lakhs in 1932-33 to Rs. 21 lakhs in 1933-34 to which the United Kingdom contributed Rs. 3·8 lakhs as against Rs. 5·0 lakhs in the preceding

year, there being practically no change in her percentage share which stood at 18 per cent. The remainder came chiefly from Germany and Sweden. The fall in the total imports is attributed to the growing local production of simple forms such as 'Tower' bolts plain locks, etc. Imports of domestic hardware remained fairly steady at Rs. 8 lakhs, the share of the United Kingdom, however rising from 25 per cent. in 1932-33 to 30 per cent. in 1933-34. Imports of enamelled ironware which had increased from Rs. 15 lakhs in 1931-32 to Rs. 23 lakhs in 1932-33 declined slightly to Rs. 22 lakhs in 1933-34. The share of the United Kingdom remained at 6 per cent. and showed no improvement owing to very severe competition from Japan which maintained her leading position by absorbing 70 per cent. of the total value of the trade. Among other suppliers, Czechoslovakia had 12 per cent. and Germany 6 per cent. as against 13 and 8 per cent., respectively in 1932-33. Imports of gas mantles fell from Rs. 9 lakhs to Rs. 5 lakhs to which Germany contributed 75 per cent. and the United Kingdom 14 per cent. as against 74 and 9 per cent. in 1932-33. The total imports of implements and tools (other than agricultural implements and machine tools) rose from Rs. 35 lakhs in 1932-33 to Rs. 38½ lakhs in 1933-34. The supplies from the United Kingdom were valued at nearly Rs. 19 lakhs as compared with Rs. 18 lakhs in 1932-33, but her percentage share in total imports dropped from 52 to 49 per cent. The remainder came chiefly from the United States of America and Germany. In metal lamps, the total imports advanced from 3,083,000 in 1932-33 to 3,743,000 in 1933-34 with a decrease in value from Rs. 41 lakhs to Rs. 40 lakhs, and the United Kingdom now enjoys only a very limited trade. Imports from the United Kingdom numbered 23,000 or 1 per cent. as compared with 21,000 or 1 per cent. in 1932-33. The bulk of the trade was with Germany which accounted for 69 per cent. of the total number imported in 1933-34 as against 90 per cent. in the preceding year. The competition from Japan in this line is a comparatively new feature of the trade. The trade in safes and strong boxes is small, being valued at Rs. 23,000 as against Rs. 34,000 in 1932-33, and is limited to high grade materials supplied by the United Kingdom makers. The increasing production in local factories is now able to meet the demand in India very largely. Imports of stoves remained fairly steady at Rs. 4 lakhs. The United Kingdom provided 16 per cent. of the total trade in 1933-34 as in the preceding year, while Sweden absorbed 72 per cent. as against 64 per cent. in 1932-33.

INSTRUMENTS, APPARATUS AND APPLIANCES AND PARTS THEREOF.

The total imports of instruments, apparatus and appliances and parts thereof were valued at Rs. 402 lakhs in 1933-34 as compared with Rs. 385 lakhs in the preceding year. The preference granted has been of value to the United Kingdom as her imports rose from Rs. 194 lakhs to Rs. 206 lakhs with an increase in her relative share from 50 per cent. to 51 per cent. This will be seen from the following figures :—

	Value in lakhs of rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Total instruments, etc.—					
Imports from U. K.	2.88	2,55	1,83	1,94	2,06
Total all Countries	4,92	4,77	3,69	3,85	4,02
Percentage of U. K. to total ..	59	53	50	50	51

From the trade figures in the main preferential heads of this group it is found that in electrical instruments the share of the United Kingdom advanced from Rs. 121½ lakhs or 52 per cent. of the total value of Rs. 234 lakhs in 1932-33 to 130½ lakhs or 57 per cent. of the total value of 231 lakhs in 1933-34. The steady development of the Indian cinema industry led to an increase in the imports of raw cinema films which totalled 37 million ft. in length valued at Rs. 15 lakhs in 1933-34 as compared with 26 million ft. valued at Rs. 11 lakhs in 1932-33. Imports from the United Kingdom rose from 5·6 million ft. to 7·8 million ft. in quantity and from Rs. 2 lakhs to Rs. 3 lakhs in value. There were also increased supplies from Germany, Belgium and the United States of America. In photographic apparatus (other than cinematograph films) the United Kingdom share declined from 44 per cent. to 43 per cent. corresponding to a decrease in the value of the total imports from Rs. 31 lakhs to Rs. 29 lakhs. Under musical instruments the United Kingdom maintained her predominant position in pianos and pianofortes and talking machines and accessories (except records) and absorbed 55 and 57 per cent. as compared with 46 and 65 per cent. respectively in 1932-33. In wireless apparatus, imports of which remained fairly steady at Rs. 10 lakhs, the share of the United Kingdom dropped from Rs. 8 lakhs or 81 per cent. in 1932-33 to Rs. 5¾ lakhs or 56 per cent. in 1933-34, while the participation of other countries, chiefly the United States of America and the Netherlands, showed an increase.

LEATHER.

By the terms of the Ottawa Trade Agreement, tanned or dressed skins, unwrought leather, leather cloth including artificial leather and other manufactures of leather (except pickers, roller-skins, saddlery and harness and bags and trunks) are liable to a preferential duty of 10 per cent. The following table shows the imports of these classes of goods.

Value in thousand rupees.

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Leather.—					
Imports from the U. K. ..	23,04	13,13	12,89	13,15	12,50
Total all countries	43,05	32,56	30,63	36,06	34,28
Percentage of U. K. to total ..	54	40	42	36	36

With the decrease in the value of the total imports from Rs. 36 lakhs in 1932-33 to Rs. 34 lakhs in 1933-34 the supplies from the United Kingdom showed a decrease from Rs. 13 lakhs to Rs. 12½ lakhs, but her percentage share in the total imports remained steady at 36 per cent. The competition in all these lines of trade was mostly from the United States of America.

LIQUORS.

The figures relative to this line of trade may be examined under three heads :—

1. Ale and beer.
2. Spirit perfumed.
3. Spirit present in drugs, medicines or chemicals.

The total imports oi ale and beer showed a decline from 3·6 million gallons to 3·3 million gallons, out of which the United Kingdom supplied 2·1 million gallons as against 2·3 million gallons in the preceding year. The share of the United Kingdom remained stationary at 64 per cent. and this shows that despite the preference the United Kingdom was unable to improve her position *vis a vis* her competitors in the Indian markets.

The following figures illustrate the position in details.

	Quantity in gals. (lakh.)					Value in Rs. (lakh.)				
	3 years' average ending 1929-30	1930-31.	1931-32.	1932-33.	1933-34.	3 years average ending 1929-30	1930-31.	1931-32.	1932-33.	1933-34.
Ale and beer—										
Imports from U. K. ..	27·3	28	23	23	21	56·7	57	44	45	41
Total all countries ..	44·0	44	36	36	33	97·3	96	71	72	65
Percentage of U. K. to total	62	63	64	64	64	58	59	62	63	63

The decline in the actual import from the United Kingdom was due mainly to a falling off in the despatches of ale and beer in bulk which showed a reduction of 20% in comparison with the supplies sent out in 1932-33.

The imports of spirit perfumed, from all sources increased from 5,000 gallons to 7,000 gallons. The share of the United Kingdom also increased from 2,500 gallons to 3,000 gallons, but her percentage share declined from 51 per cent. to 43 per cent. The recession in the relative share of the United Kingdom is, however, to be attributed to a revival of competition from France and Germany imports from which countries had been at a low ebb in 1932-33.

Under the preference scheme drugs and medicines containing spirit imported from the United Kingdom enjoy a margin of preference at the following rates :—

(*i*) I` entered in such manner as to indicate that the strength is not to be tested Rs. 4-0-0 per Imperial Gallon.

(*ii*) If not so entered Rs. 3-0-0 per Imperial Gallon of the strength of London proof.

No separate figures for imports under the former of the two heads are available from the Indian Sea-borne trade returns. In regard to the latter sub-class the total imports, measured in terms of spirit contents, advanced from 102,000 gallons to 111,000 gallons and concurrently supplies from the United Kingdom increased from 39,000 gallons to 49,000 gallons and the percentage share from 38 per cent. to 44 per cent. so that the preference appears to have been useful to the United Kingdom.

MACHINERY AND MILLWORK.

This is an important item in India's import trade with the United Kingdom. Some articles recorded under this head enjoy preferences in India, if they

are of the United Kingdom origin. The total imports of machinery and mill-work were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Value in lakhs of rupees.				
Machinery and Millwork—					
Imports from United Kingdom ..	13,44	10,72	7,73	7,81	8,73
Total all countries	17,52	14,35	10,92	10,54	12,77
Percentage of United Kingdom to total	77	75	71	74	68

It will be observed that the imports from the United Kingdom in 1933-34 were higher in value than in the preceding year, but the percentage share of the United Kingdom in the trade dropped from 74 per. cent to 68 per cent., owing to increased participation of Germany in the imports of cotton and sugar machinery both of which are not subject to any preferential duties. In preferential items, *e.g.*, sewing and knitting machinery, type-writers and parts, etc., the United Kingdom advanced her position considerably. The United Kingdom supplied 39,800 sewing and knitting machines, complete, or 72 per cent. out of a total of 54,900 as compared with 27,800 or 71 per cent. out of a total of 39,100 in 1932-33. Again in typewriters the United Kingdom more than trebled her consignment from 241 to 732 although the U. S. A. still continued to maintain her predominant position in the line.

ALUMINIUM, WROUGHT.

Imports of wrought aluminium during the three years ending 1929-30 averaged 142,000 cwts. of which the United Kingdom supplied 47,000 cwts. or 33 per cent. Since then import declined considerably and amounted to only 24,000 cwts. in 1932-33, the United Kingdom supplying 10,000 cwts. or 42 per cent. In the following year imports, chiefly as a result of the 10 per cent. preference, from the United Kingdom more than doubled and the total imports advanced to 39,000 cwts. The figures are given below.

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in cwts. (thousand).				
Aluminium, wrought—					
Imports from the U. K. ..	47	25	10	10	21
Total all countries ..	142	127	39	24	39
Percentage of U. K. to total ..	33	20	26	42	54
	Value in thousand rupees.				
Imports from U. K.	40,79	20,76	7,50	9,41	17,43
Total all countries	1,21,49	1,00,07	29,62	22,12	32,50
Percentage of U. K. to total ..	34	21	25	43	54

The increase was mainly in circles which form the raw material of the Indian aluminium hollow-ware industry. Imports of wrought circles rose from 17,000 cwts. valued at Rs. 14 lakhs in 1932-33 to 31,000 cwts. valued at Rs. 24 lakhs in 1933-34. Of the total imports the United Kingdom supplied 17,000 cwts.

(Rs. 14 lakhs) and Japan 5,000 cwts. (Rs. 4 lakhs) as compared with 8,000 (Rs. 7 lakhs) and 7,000 (Rs. 5 lakhs) respectively in 1932-33. Sheets and other manufactures of aluminium recorded smaller increases.

BRASS, BRONZE AND SIMILAR ALLOYS, WROUGHT.

There had been a steady improvement in the position of the United Kingdom in this trade from the low level of 1930-31. In 1933-34 total imports declined to 471,000 cwts. from 568,000 cwts. in the preceding year. But of this reduced import the United Kingdom had a larger percentage share both in quantity and in value as will be seen from the following figures :—

	3 years' average ending 1929-30.	1930-31.	1931-32	1932-33.	1933-34.
		Quantity in cwts. (thousand).			
Brass, wrought—					
Import from the United Kingdom ..	154	56	82	170	171
Total all countries	483	378	342	568	471
Percentage of U. K. to total ..	32	15	24	30	36
		Value in thousand rupees.			
Import from the United Kingdom	76,06	27,76	32,95	54,82	52,99
Total all countries	2,34,59	1,62,53	1,26,11	1,79,16	1,38,36
Percentage of U. K. to total ..	32	17	26	31	38

Imports consisted largely of mixed or yellow metal for sheathing which was drawn almost entirely from three countries, namely, the United Kingdom, Germany, and Japan. Imports from the United Kingdom rose from 150,000 cwts. or 31 per cent. in 1932-33 to 156,000 cwts. or 37 per cent. in 1933-34 in marked contrast to the decline in the German shipments from 237,000 cwts. to 170,000 cwts. Consignments from Japan were maintained at 95,000 cwts.

COPPER, WROUGHT.

Imports of wrought copper consisting largely of sheets, rods, etc., were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in thousand cwts.			
Copper, wrought —					
Imports from the U. K.	60	44	64	72	113
Total all countries	192	191	195	316	263
Percentage of U. K. to total ..	31	23	33	23	43
		Value in thousand rupees.			
Imports from the U. K.	33,49	25,02	27,46	27,99	38,04
Total all countries	1,08,35	96,85	81,44	1,12,02	82,98
Percentage of U. K. to total ..	31	26	34	25	46

Notwithstanding competition from other countries, notably Germany, the increase both absolute and relative of the imports from the United Kingdom, is noteworthy.

GERMAN SILVER, INCLUDING NICKEL SILVER.

The total trade during the past two years' remained fairly steady at 17,000 cwts. valued at Rs. 12 lakhs as will be seen from the following figures :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in thousand cwts.			
German Silver—					
Imports from the United Kingdom ..	3	2·2	2·2	3·3	3·9
Total all countries	20	16·3	13·6	17·5	17·2
Percentage of U. K. to total ..	15	13	16	19	23
		Value in thousand rupees.			
Imports from the United Kingdom ..	2,54	1,73	1,55	2,42	2,60
Total all countries	17,45	12,52	9,51	12,76	12,02
Percentage of U. K. to total ..	15	14	16	19	22

The United Kingdom supplied 23 per cent. as against 19 per cent. of the total imports in 1932-33, the bulk of the trade being shared by Italy, Austria and Germany.

LEAD, WROUGHT (EXCLUDING SHEETS FOR TEA-CHESTS.)

This head comprises pipes and tubes, sheets and other manufactures of lead and is exclusive of sheets for tea-chests which are not liable to preferential duties. Total imports amounted to 23,000 cwts. in 1933-34 as compared with 21,000 cwts. in the preceding year and 32,000 cwts. in the three years ending 1929-33. The United Kingdom supplied 20,000 cwts. or 87 per cent. as against 15,000 cwts. or 71 per cent. in 1932-33 and 14,000 cwts. or 44 per cent. in the triennium ending 1929-30. The figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in thousand cwts.			
Lead, wrought (excluding sheets for tea-chests)—					
Imports from the United Kingdom ..	14	11	14	15	20
Total all countries	32	27	23	21	23
Percentage of the U. K. to total ..	44	41	61	71	87
		Value in thousand rupees.			
Imports from the United Kingdom ..	3,58	2,64	2,35	2,61	4,13
Total all countries	7,12	5,48	3,84	3,40	4,95
Percentage of the U. K. to total ..	50	48	61	77	83

ZINC, WROUGHT.

Total imports of wrought zinc amounted to nearly 34,000 cwts. in 1933-34 as compared with 27,000 cwts. in the preceding year. Although

there was an increase in actual imports from the United Kingdom from 3,700 cwts. to 5,000 cwts. her percentage share in the total imports remained steady at 15 per cents. The bulk of the imports came from Belgium which accounted for 67 per cent. as against 81 per cent. in 1932-33. The figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousand cwts.				
Zinc or Speller (wrought or manufactured) :—					
Imports from the United Kingdom ..	11	4·9	4·2	3·7	5
Total all countries	51	37·7	26	27·3	33·8
Percentage of the U. K. to total ..	22	13	16	14	15
	Value in thousand rupees.				
Imports from the United Kingdom ..	3,03	1,25	90	90	1,26
Total all countries	13,00	7,48	4,35	4,87	6,12
Percentage of the U. K. to total ..	23	16	21	18	21

OILS.

The imports under this head may be analysed and examined under four sub-divisions, namely, mineral oils, essential oils—natural and synthetic, vegetable non-essential oil and fish oil. Under mineral oils, the principal item is lubricating oil, other than batching oils, batching oils not being liable to any preferential treatment under the Ottawa Trade Agreement Act. The total imports of lubricating oils, other than batching oils into India during 1933-34 showed an increase from 8·5 million gallons to 10·8 million gallons in quantity, although, expressed in value, the trade declined from Rs. 1,10 lakhs to Rs. 1,02 lakhs. The imports from the United Kingdom showed an increase from 1·6 million gallons to 2·3 million gallons, the corresponding increase in value being from Rs. 21 lakhs to Rs. 26 lakhs. Owing to her greater competitive strength due to preference the rate of increase in the case of the United Kingdom was considerably greater than in the case of imports from other sources taken together, as is evidenced by the fact that the percentage share of the United Kingdom in the total imports increased from 19 to 22 per cent. on the basis of quantity and from 19 to 25 per cent. on the basis of value.

Under paints, solutions, and compositions, dangerous flashing below 76°F, the total imports from all sources increased by 122 per cent., namely from 36,000 gallons to 80,000 gallons. As against this import from the United Kingdom advanced by 174 per cent., the total contribution having amounted to 30,000 gallons as compared with 11,000 gallons in 1932-33. This favourable position of the United Kingdom may be attributed largely to the preference she received.

Under essential oils, imports of synthetic oils from all sources advanced from 7,000 gallons valued at Rs. 3 lakhs to 11,000 gallons valued at Rs. 4 lakhs, whereas the quantity imported from the United Kingdom remained almost stationary at about 1,500 gallons, her percentage share consequently declining from 23 per cent. to 13 per cent. But in this case the absence of any quantitative improvement in the trade of the United Kingdom is partly to be explained

by reference to a higher average value for the imports from this source and it is interesting that, measured in value, the United Kingdom actually showed a larger percentage share, namely 8 per cent. as against 5 per cent. in the preceding year.

Imports of natural essential oils under the classifications liable to preferential treatment constituted a relatively minor item of trade. Here the imports from the United Kingdom dropped from 4,000 gallons to 3,000 gallons or by 25 per cent., but it has to be mentioned that imports from other sources also declined concomitantly at more or less the same rate, *viz.*, from 17,000 gallons to 13,000 gallons.

Imports of vegetable non-essential oils, other than coconut, linseed and groundnut oils, from the United Kingdom advanced from 16,000 gallons to 26,000 gallons or by 62 per cent. whereas imports from other sources increased only by 10 per cent., namely, from 156,000 gallons to 172,000 gallons. The comparatively larger increase in the share of the United Kingdom is noteworthy in view of the advantage in duty she possesses.

Under fish oil there were simultaneous decreases in the trade of the United Kingdom as well as in imports from other sources taken together. The total imports from all sources amounted to 859,000 gallons as against 1,064,000 gallons in 1932-33 and concomitantly the trade of the United Kingdom underwent a reduction from 163,000 gallons to 98,000 gallons. The rate of fall was, however, greater in the case of the United Kingdom and her percentage share fell off from 15 per cent. to 11 per cent. The recession in the total trade was fundamentally accounted for by a reaction against the abnormally heavy importation of 1932-33, but, in the case of the United Kingdom, the falling off in her relative share is to be explained by reference to the increasing competition from Japan and Norway which had begun to bring into this country their own products in overwhelming quantities since 1932-33, as a result of which the percentage share of the United Kingdom had slumped heavily already in 1932-33 from 42 per cent. in 1931-32 to 15 per cent. In this case the preference has not resulted either in an absolute or a relative increase of the United Kingdom's trade.

OIL-CLOTH AND FLOOR-CLOTH.

The total imports under this head receded in 1933-34 from 944,000 sq. yds. to 855,000 sq. yds. But despite this downward movement, the United Kingdom was able to advance her share from 414,000 to 434,000 sq. yds. or by about 5 per cent. The percentage share of the United Kingdom in the total trade consequently rose from 44 per cent. in 1932-33 to 51 per cent. in 1933-34, but it has to be mentioned that her share in 1932-33 had already been a high one for the depression years. Here therefore, the preference has materially helped the United Kingdom.

PACKING—ENGINE AND BOILER—OF ALL KINDS (EXCLUDING ASBESTOS.)

The total imports from all sources under this head increased from Rs. 2·5 lakhs in 1932-33 to Rs. 2·9 lakhs in 1933-34. The United Kingdom was able to advance her share from Rs. 2·2 lakhs or 90 per cent. in 1932-33 to Rs. 2·6 lakhs or 93 per cent. in 1933-34. The trade is largely controlled

by the United Kingdom and the 10 per cent. preference granted to her has enabled her to consolidate her position still further in this line.

PAINTS AND COLOURS.

With the exception of barytes, graphite, reduced dry red lead and white lead, moist white lead, reduced dry zinc white and moist zinc white, all other classes of paints and colours of the United Kingdom origin are eligible for a preference of 10 per cent. *ad valorem*. Imports of all the classes of paints subject to preferential duty were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Paints.			Quantity in thousand cwts.		
Imports from United Kingdom ..	214	152	133	131	149
Total all countries	347	271	233	241	255
Percentage of U. K. to total ..	62	56	57	54	58
			Value in thousand rupees.		
Imports from United Kingdom ..	63.64	43,53	34,40	35,88	39,23
Total all countries	96,59	69,25	53,93	57,63	57,71
Percentage of U. K. to total ..	66	63	64	62	68

It will be observed that the increase in the imports from the United Kingdom was greater than the increase in the total quantity imported in 1933-34. The supplies from that country rose from 131,000 cwts. valued at Rs. 36 lakhs in 1932-33 to 149,000 cwts. valued at Rs. 39 lakhs in 1933-34. As a result, her percentage share advanced from 54 to 58 per cent. in quantity and from 62 to 68 per cent. in value. Although there is German competition over practically the whole range, it is greatest with regard to Paris blue, lithophone dry and coloured dry, but even in these lines it is not effective enough to displace the United Kingdom from her leading position. Another rival is to be found in Japan whose shipments of dry red lead and white lead have been appreciably large in recent years. Fair qualities are also supplied by the United States of America. In the face of all this competition, the improvement in the United Kingdom position must be partly at least due to the preference of 10 per cent. enjoyed by her in the Indian market.

PAPER AND PASTEBOARD.

(I) Paper.

Certain classes of printing paper (except newsprint) and writing paper are subject to protective duties. These as well as newsprint are not liable to preferential duties. Leaving aside these items the only important heads which are liable to preferential duties are packing paper, other kinds of paper (except note and letter paper and envelopes and old newspapers in bales and bags) and paper manufactures. The United Kingdom enjoys a very limited trade in packing paper and the preferential duty of 10 per cent. has not so far enabled her to secure a bigger market in India. The bulk of the imports are obtained from Scandinavia which has the advantage of larger resources for cheap wood pulp near the mills.

The figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousand cwts.				
Packing paper.					
Imports from the United Kingdom	18	17	20	19	14
Imports from Sweden and Norway	100	118	99	200	159
Imports from all countries ..	254	231	205	325	250
Percentage of United Kingdom to total imports ..	7	7	10	6	6
	Value in thousand rupees.				
Imports from the United Kingdom	485	412	448	355	281
Imports from Sweden and Norway	18,33	19,52	14,63	26,89	19,14
Imports from all countries ...	47,00	38,54	31,31	45,35	31,82
Percentage of United Kingdom to total imports ..	10	11	14	8	9

No statistics are available for chrome, marble, flint, poster and stereo-printing paper which are also liable to preferential duty. The improvement in the position of the U. K. as a result of the preference enjoyed by her is, however, noticeable in other lines of the paper trade. Of the total imports of "other kinds of paper" amounting to 97,000 cwts. in 1933-34 as against 94,000 cwts. in 1932-33, the United Kingdom supplied 21,000 cwts. or 22 per cent. as compared with 13,000 cwts. or 14 per cent. in 1932-33. Imports of paper manufactures rose from 25,000 cwts. to 31,000 cwts., of which the United Kingdom supplied 12,000 cwts. or 39 per cent. as compared with 7,000 cwts. or 28 per cent. in 1932-33.

(ii) PASTEBOARD, MILLBOARD AND CARDBOARD OF ALL KINDS (OTHER THAN STRAWBOARD.)

The supplies of these materials are obtained largely from Germany, Sweden and Norway. The preference of 10 per cent. granted to the United Kingdom has been of considerable value to her, inasmuch as she was able to increase her share from 15,000 cwts. or 14 per cent. to 25,000 cwts. or 22 per cent., total imports remaining fairly steady at 113,000 cwts. In manufactures of pasteboard, millboard and cardboard the United Kingdom was in a much better position as a result of the preference. She supplied 68 per cent. of the total import of 9,840 cwts. in 1933-34 as compared with 54 per cent. out of a total of 7,135 cwts. in 1932-33.

PROVISIONS.

Under the Ottawa Trade Agreement a preferential duty of 10 per cent. is granted to the United Kingdom on the following articles classified under provisions in the trade returns :—canned or bottled fruits, tinned or canned fish, canned and bottled provisions other than vegetable product,

cocoa and chocolate, confectionery and milk condensed or preserved including milk cream. Total imports of these classes were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousand cwts.				
Provisions.					
Imports from the United Kingdom	146	139	99	111	110
Total all countries	489	459	363	364	345
Percentage of the United Kingdom to total	30	30	27	30	32
	Value in thousand rupees.				
Imports from the United Kingdom	85,46	87,57	63,34	57,82	58,33
Total all countries	2,23,41	1,94,39	1,46,77	1,35,47	1,19,95
Percentage of the United Kingdom to total ..	38	45	43	43	49

Due cheifly to reduced purchasing power, total imports recorded a decline from 364,000 cwts. valued at Rs. 135 lakhs in 1932-33 to 345,000 cwts. valued at Rs. 120 lakhs in 1933-34. Imports from the United Kingdom remained practically steady at 110,000 cwts. valued at Rs. 58 lakhs and formed 32 per cent. in quantity and 49 per cent. in value of the total imports as compared with 30 per cent. and 43 per cent. respectively in 1932-33. In the three years ending 1929-30, the United Kingdom provided 30 per cent. in quantity and 38 per cent. in value of the total imports of these classes of provisions. The preference has enabled the United Kingdom to maintain the volume of her trade in a market with a falling demand and has therefore been of value to her.

RUBBER MANUFACTURES.

Imports of rubber manufactures were as follows :—

	Value in thousand rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Rubber manufactures.					
Imports from the United Kingdom	98,94	73,60	69,34	80,16	1,16,23
Total all countries	2,95,60	2,56,83	2,20,98	1,98,35	1,87,59
Percentage of the United Kingdom to total ..	34	29	31	40	62

While the steady decline in the total value of the imports of rubber manufactures continued in the year 1933-34 the imports from the United Kingdom rose sharply from Rs. 69 lakhs in 1931-32 to Rs. 80 lakhs in 1932-33 and further to Rs. 116 lakhs in 1933-34. Correspondingly the United Kingdom share in the total imports advanced from 31 per cent. in 1931-32 to 40 per cent. in 1932-33 and 62 per cent. in 1933-34. This remarkable increase in the share of the United Kingdom was partly due to exchange advantage beginning in 1931 and partly to the 10 per cent. preference from January 1933 on all descriptions of

rubber manufactures. In pneumatic motor covers the share of the United Kingdom rose from 108,000 (37 per cent.) out of a total of 292,000 in 1932-33. 197,000 (63 per cent.) out of a total of 311,000 in 1933-34. Similarly in pneumatic motor cycle covers the United Kingdom supplied 3,750 or 73 per cent. of the total imports numbering 5,119 as compared with 3,202 or 60 per cent. in 1932-33. The total imports of pneumatic cycle covers advanced from 1,369,000 (Rs. 19 lakhs) in 1932-33 to 1,772,000 (Rs. 21 lakhs) in 1933-34. Here again the share of the United Kingdom rose from 774,000 or 57 per cent. to 1,117,000 or 63 per cent. The remainder came chiefly from Japan, consignments from that country having amounted to 436,000 valued at Rs. 4 lakhs as against 367,000 valued at Rs. 3¾ lakhs in 1932-33. In other rubber manufactures which are liable to preferential duties, *e.g.*, solid tyres for motor vehicles, pneumatic motor tubes, pneumatic cycle tubes and unspecified descriptions the share of the United Kingdom, both actual and relative, showed an increase.

SMOKERS' REQUISITES.

The total imports fell from Rs. 7 lakhs in the triennium ending 1929-30 to Rs. 2 lakhs in 1932-33 but recovered to Rs. 4 lakhs in 1933-34. The preferential duty of 10 per cent. helped the United Kingdom to increase her share in the trade from half a lakh of rupees or 26 per cent. to Rs. 1¼ lakhs or 30 per cent. of the total imports in 1933-34. The figures are given below :—

	Value in thousand rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Smokers' Requisites (excluding tobacco)—					
Imports from U. K.	203	123	73	58	125
Total all countries	738	385	219	224	419
Percentage of U. K. to total ..	28	32	33	26	30

TOILET SOAP.

Imports of toilet soap were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousand cwts.				
Toilet soap—					
Imports from U. K.	36	24	24	35	35
Total all countries	47	32	32	44	52
Percentage of U. K. to total ..	77	75	75	80	67
	Value in thousand rupees.				
Imports from U. K.	38,23	23,66	21,37	24,67	23,78
Total all countries	49,02	31,24	28,07	30,87	31,97
Percentage of U. K. to total ..	78	76	76	80	74

While the total imports showed an expansion from 44,000 cwts. valued at Rs. 31 lakhs in 1932-33 to 52,000 cwts. valued at Rs. 32 lakhs in 1933-34, those from the United Kingdom remained fairly steady at 35,000 cwts. valued

at Rs. 24 lakhs, while her percentage share in the total trade dropped from 80 per cent. to 67 per cent. in quantity and from 80 per cent. to 74 per cent. in value. Normally the competition is from the United States of America and to a lesser extent from Germany, France and Austria. In 1933-34, however, large imports from Japan at exceptionally low prices amounting to 10,000 cwts. valued at Rs. 3 lakhs depressed the market and proved so serious to the Indian industry that it was decided to revise the tariff and place it on the basis of a minimum specific duty with a view to safeguarding the industry. Prior to 1932-33 imports from Japan were insignificant and in 1932-33 these amounted to only 900 cwts. valued at Rs. 46,000. In spite of this severe competition from Japan the United Kingdom maintained the balance of her trade with only relatively slight fall in the value.

STATIONERY, EXCLUDING PAPER.

This head includes pencils and other kinds of stationery (excluding paper) the imports of which were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in thousand dozens.			
Pencils (excluding slate pencils)—					
Imports from United Kingdom ..	215	166	87		110
Total all countries	3,886	2,529	2,700	6,8[illegible]	4,298
Percentage of U. K. to total ..	6	7	3	1	3
		Value in thousand rupees.			
Imports from United Kingdom ..	1,42	1,03	66	41	59
Total all countries	9,20	6,41	4,87	8,07	6,95
Percentage of U. K. to total ..	15	16	14	5	8
		Value in thousand rupees.			
Other Sorts—					
Imports from United Kingdom ..	52,99	42,74	35,29	32,43	35,16
Total all countries	90,24	74,83	63,16	64,30	59,27
Percentage of U. K. to total ..	59	57	56	50	59

In pencils the share of the United Kingdom is comparatively small and notwithstanding the 10 per cent. preference, has not yet reached the proportion of the triennium ending 1929-30. On the other hand exceptionally low prices resulting from the depreciation of the yen greatly stimulated the imports from Japan. Judged by quantity the imports from Japan formed about 59 per cent. of the total imports in 1933-34 as compared with 68 per cent. in 1932-33 and 50 per cent. in 1931-32. Judged by value the Japanese proportion was 22 per cent. in 1933-34, 28 per cent. in 1932-33 and 19 per cent. in 1931-32. In other sorts of stationery the United Kingdom advanced her position from Rs. 32 lakhs or 50 per cent. out of a total value of Rs. 64 lakhs in 1932-33 to Rs. 35 lakhs or 59 per cent. out of a total value of Rs. 59 lakhs in 1933-34.

HABERDASHERY AND MILLINERY.

There was a reduction in the total imports under this head from Rs. 57 lakhs in 1932-33 to Rs. 45 lakhs. A part of the decline was shared by the United Kingdom, the value of the supplies from which source fell from Rs. 14 lakhs to Rs. 12 lakhs. The decline in this particular case was smaller for the United Kingdom than for other countries, her share in the total imports rising from 25 to 27 per cent.

The table below will be found sufficiently illustrative of the position in this line of trade :—

	Value in Rs. (lakhs).				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Haberdashery and millinery.					
Imports from U. K.	26·7	18	13	14	12
Total all countries	108·3	64	48	57	45
Percentage of U. K. to total ..	24·7	28·1	27·1	24·6	26·7

WOOLLEN MANUFACTURES.

With the exception of blankets and rugs (other than floor rugs) all woollen yarn and manufactures are liable to preferential duties. The most important item is woollen piecegoods, imports of which were as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousand yards.				
Imports from United Kingdom ..	5,442	2,040	1,312	2,799	3,181
Imports from all countries ..	15,774	7,719	5,516	13,947	11,536
Percentage of U. K. to total imports	34	26	24	20	28
	Value in thousand rupees.				
Imports from United Kingdom ..	1,24,89	47,71	24,78	52,48	57,44
Imports from all countries ..	2,81,91	1,19,86	68,75	1,61,13	1,30,27
Percentage of U. K. to total imports	44	40	36	33	44

Total imports of woollen piecegoods which had risen from 5½ million yards in 1931-32 to 14 million yards in 1932-33 declined to 11½ million yards in 1933-34. The United Kingdom however increased her supplies from 2·8 million yards in 1932-33 to 3·2 million yards in 1933-34 and correspondingly her relative share in the total imports rose from 20 per cent. to 28 per cent. A feature of the trade is the remarkable advance in the imports from Japan which amounted to 2·1 million yards in 1933-34 as against 1·4 million yards in 1932-33 and 121,000 yards in 1931-32. Imports from all other principal countries showed decreases. It appears therefore that the 10 per cent. preference granted to the United Kingdom has been of distinct advantage to her in improving her position in this line in spite of the intense competition from Japan. A similar improvement in the share of the United Kingdom as a result of the preference is also noticed in the imports of carpets and rugs, which advanced from 43 per cent. in 1932-33 to 56 per cent. in 1933-34. In woollen hosiery, however, owing

largely to Japanese competition, the United Kingdom had to reduce her contribution from 40 to 38 per cent. The trade in shawls is largely controlled by Germany and the United Kingdom has but a small interest which tends to decline. In recent years, however, Germany has found a more formidable rival in Japan in this line.

Imports of worsted yarn for weaving and knitting wool were as follows :—

	1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
			Quantity in lbs. (000).		
Worsted yarn for weaving.					
Imports from United Kingdom ..	309	195	152	160	300
Total all countries	486	569	568	912	887
Percentage of U. K. to total ..	64	34	27	18	34
			Value in thousand rupees.		
Imports from United Kingdom ..	5,39	2,98	1,92	2,19	2,92
Total all countries	10,69	11,03	9,04	15,13	12,18
Percentage of U. K. to total ..	50	27	21	14	24
Knitting wool.			Quantity in lbs. (000).		
Imports from United Kingdom ..	179	158	199	344	421
Total all countries	598	538	739	996	810
Percentage of U. K. to total ..	30	29	27	35	52
			Value in thousand rupees.		
Imports from United Kingdom ..	4,03	3,28	3,44	6,15	7,28
Total all countries	19,19	14,34	14,09	17,97	13,44
Percentage of U. K. to total ..	21	23	24	34	54

In both these lines, the obvious improvement in the United Kingdom's position is probably the result of the 10 per cent. preference enjoyed by her.

TOILET REQUISITES.

Notwithstanding the reduced purchasing power the trade in toilet requisites, which may be regarded as a quasi-luxury one, did not show any large decline, as will be seen from the following figures :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
			Value in thousand rupees.		
Toilet requisites (not specified elsewhere) :—					
Imports from U. K.	26,04	19,37	18,13	20,73	22,15
Total all countries	66,54	53,81	47,80	58,14	56,61
Percentage of U. K. to total ..	39	36	38	36	39

Total imports of toilet requisites were valued at Rs. 56½ lakhs in 1933-34 as compared with Rs. 58 lakhs in the preceding year and Rs. 66½ lakhs in the three years ended 1929-30. The United Kingdom was able to recover some of her trade probably chiefly as a result of the 10 per cent. preference, her contribution to the total trade having increased from Rs. 20¾ lakhs or 36 per cent. in

1932-33 to Rs. 22 lakhs or 39 per cent. in 1933-34. The chief competitor in this line is the United States which accounted for 23 per cent. of the total value in 1933-34 as against 30 per cent. in 1932-33. France, Germany and Japan have a relatively small share, about 8 per cent. each, in this trade.

TOYS AND REQUISITES FOR GAMES AND SPORTS.

Total values of the imports were as follows :—

	Value in thousand rupees.				
	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Toys and requisites for games and sports including fishing tackle :—					
Imports from U. K.	15,71	12,20	10,65	10,46	11,62
Total all countries	65,12	49,06	37,04	47,33	53,35
Percentage of U. K. to total ..	24	25	29	22	22

It will be observed that the trade with the United Kingdom has remained fairly steady. She accounted for 22 per cent. of the value of the total imports in each of the years 1932-33 and 1933-34. Analysing the detailed figures it is found that in toys, imports of which rose from Rs. 29 lakhs to Rs. 38 lakhs, the United Kingdom contribution declined from 12 to 10 per cent. although the actual value of the imports therefrom increased from Rs. 3½ to Rs. 4 lakhs. In this line the 10 per cent. preference has been over-shadowed by the competition from Japan with her depreciated Yen. Japan is displacing Germany particularly, at prices which are almost beyond competition. The relative share of these two countries were 81 per cent. and 6 per cent. in 1933-34 as compared with 69 and 13 per cent. in 1932-33. Imports of playing cards fell from Rs. 11½ lakhs to Rs. 7 lakhs in 1933-34 of which the United Kingdom provided Rs. 1½ lakhs or 22 per cent. as against Rs. 2¼ lakhs or 20 per cent. in 1932-33. Of the principal competitors the United States of America and Japan increased their interests from 20 and 22 per cent. to 25 and 39 per cent. respectively, while the share of Belgium dropped from 37 per cent. to 13 per cent. Other requisites for games and sports were imported to the value of Rs. 8·6 lakhs as against Rs. 6·6 lakhs in 1932-33 and were drawn chiefly from the United Kingdom which advanced her share from 70 to 71 per cent.

UMBRELLAS AND UMBRELLA FITTINGS.

There has been a remarkable expansion in the trade in complete umbrellas (including parasols and sunshades) during recent years. Imports in 1933-34 numbered 739,000 valued at Rs. 4¼ lakhs as compared with 309,000 valued at Rs. 2½ lakhs in the preceding year and 92,000 valued at nearly Rs. 2 lakhs in 1931-32. These imports came largely from Japan which has advanced her position considerably in marked contrast to the steady fall in the share of the

United Kingdom in this trade. In umbrella fittings the United Kingdom showed little improvement. The figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in number (000).			
Umbrellas complete including parasols and sunshades :—					
Imports from U. K.	159	40	39	28	31
Total all countries	241	89	92	309	739
Percentage of U. K. to total ..	66	45	42	9	4
		Value in thousand rupees.			
Imports from U. K.	4,64	1,16	95	65	66
Total all countries	6,33	2,32	1,84	2,58	4,25
Percentage of U. K. to total ..	73	50	52	25	16
		Value in thousand rupees.			
Umbrella fittings :—					
Imports from U. K.	9,73	4,57	5,04	3,03	2,89
Total all countries	48,08	28,76	28,32	25,19	22,42
Percentage of U. K. to total ..	20	16	18	12	13

In none of these items has the 10 per cent. preference enjoyed by the United Kingdom given the benefit to the United Kingdom which was probably anticipated owing largely to the intense competition from Japan as a result of the depreciating value of the Yen.

MOTOR CARS.

The progress of the trade in recent years was as follows :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
		Quantity in numbers			
Motor Cars :—					
Imports from U. K.	3,667	2,885	2,178	3,958	5,348
Total all countries	17,362	12,601	7,220	6,201	9,759
Percentage of U. K. to total ..	21	23	30	64	55
		Value in thousand rupees.			
Imports from U. K.	98,88	71,03	50,36	80,06	1,06,15
Total all countries	3,83,75	2,57,59	1,48,12	1,28,60	1,76,95
Percentage of United Kingdom to total	26	28	34	62	60

Imports from the United Kingdom have increased rapidly in the last two years. In years prior to 1932-33 the United Kingdom suffered from competition of lower-priced cars from the U. S. A. and Canada, but the suspension of the Gold Standard by the United Kingdom on the 21st September 1931 and the consequent depreciation of sterling placed her in a more favourable position in respect of prices, with the result that the imports from that country advanced from 2,178 or 30% out of a total of 7,220 in 1931-32 to 3,958 or 64% out of a total of 6,201 in 1932-33. In 1933-34 imports from the United Kingdom further rose to 5,348 but with the fall in the exchange value of the dollar during the year there were larger arrivals of cars from the U. S. A. and Canada and the percentage share of the United Kingdom to total imports dropped to 55% from 64% in the preceding year.

MOTOR OMNIBUSES, ETC.

The trade in motor omnibuses including chassis followed generally the same line as that of the motor cars. There was actually an increase in the imports from the United Kingdom in 1933-34 although her percentage share in the total imports showed a decrease in comparison with 1932-33. Here again the competition is chiefly from the U. S. A. and Canada and the imports from America in 1932-33 and part of 1931-32 were affected by the high exchange value of the dollar. With the depreciation of the dollar in 1933 these imports have again revived. The relevant figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
			Quantity in numbers.		
Motor Omnibuses including Chassis:—					
Imports from U. K.	439	258	435	517	528
Total all countries	12,259	8,913	4,302	2,676	5,496
Percentage of U. K. to total ..	4	3	10	19	10
			Value in thousand rupees.		
Imports from U. K.	20,26	15,25	14,43	9,85	12,35
Total all countries	2,02,58	1,41,59	66,54	40,97	65.77
Percentage of U. K. to total ..	10	11	22	24	19

CYCLES, OTHER THAN MOTOR CYCLES, AND PARTS THEREOF AND ACCESSORIES.

The United Kingdom had enjoyed a predominantly large share in this trade but for some years past there has been a growing competition from Japan, particularly in parts and accessories, which were imported at prices far below those of British and German manufacturers. With the depreciation of Yen, Japan began to push her sales not only of parts and accessories but also of complete machines with the result that the share of the United Kingdom in the latter trade, which had remained at 99 per cent. of the total number imported in the triennium ending 1929-30, dropped to 77 per cent. in 1932-33. In value however the United Kingdom's share only declined from 98 per cent. to 91 per cent. In the following year imports from the United Kingdom advanced chiefly as a result of the 10 per cent. preference and formed 81 per cent.

in quantity and 92% in value of the total imports. A similar increase was noticeable in the imports from the United Kingdom of parts and accessories of cycles. The relevant figures are given below :—

	3 years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
	Quantity in thousands.				
Cycles (other than motor cycles) imported entire or in section :—					
Imports from U. K.	146	49	47	54	72
Total all countries	148	53	50	70	89
Percentage of U. K. to total ..	99	92	94	77	81
	Value in thousand rupees.				
Imports from U. K. ..	62,47	20,21	16,98	18,53	23,18
Total all countries	63,42	21,49	17,73	20,39	25,13
Percentage of U. K. to total ..	98	94	96	91	92
Parts of cycles and accessories :—	Value in thousand rupees.				
Imports from U. K.	39,03	27,41	26,35	33,43	39,49
Total all countries	58,56	50,71	47,38	60,11	63,59
Percentage of U. K. to total ..	67	54	56	56	62

CARRIAGES AND CARTS NOT MECHANICALLY PROPELLED (EXCLUDING RAILWAY CARRIAGES, TRUCKS, ETC.)

Imports from the United Kingdom under this head increased from 292 to 417 in number, although, measured in value, there was a decline from Rs. 85,000 to Rs. 47,000. Similarly the total imports from all sources under this head rose from 1,796 to 1,926 in number accompanied by a fall in value from Rs. 2½ lakhs to Rs. 1½ lakhs. The competition was mainly from Germany and Japan, both of which considerably improved their respective shares in the trade in comparison with 1932-33.

PARTS OF CARRIAGES AND CARTS, EXCLUDING RUBBER TYRES.

Under this head there was a slight improvement in the trade of the United Kingdom from Rs. 1¼ lakhs to a little above Rs. 1⅝ lakhs. The total imports from all sources under the same head also rose from a little below Rs. 2 lakhs to Rs. 3 lakhs. Measured in percentages the share of the United Kingdom in the total imports decreased from 65 per cent. to 61 per cent.

PREFERENCES GRANTED BY INDIA TO NON-SELF-GOVERNING COLONIES.

In regard to the other class of preferences, *viz.*, those granted by India to non-self-governing Colonies, the position of these Colonies in the import trade in each commodity liable to such preferences during the past three years is set out in Appendix VI. Leaving out those items in which there is a practical monopoly namely, cutch and gambier, coconuts, coconut oil, coir, betelnuts, etc., the share of these colonies recorded an improvement in the case of fish dry salted and benjamin gum while there was a set-back in the case of gum dammer, copra or coconut kernel, canned or bottled fruits, fish dry unsalted, oilseeds and tea.

CHAPTER III.

Prices of imports in India.

Introductory Note.

The Special Committee appointed by the Legislative Assembly to scrutinize and report on the Ottawa Trade Agreement recommended as follows:—

> "We recommend that, following the introduction of the new rates of duty, a careful watch should be maintained by Government upon the course of prices of imported articles which have been subjected to differential rates of duty in accordance with the Agreement."

The Hon'ble the Commerce Member accepted this recommendation on behalf of Government and it was decided to collect material in order to be able to keep a watch on prices of imported articles and to examine how the preferences affected the consumers in whose interests the above recommendation was made. The action taken by Government to give effect to this decision was as follows. It will be noticed that many of the imported articles on which preference was granted were not such that wholesale market quotations for them were easily available. Nor was it necessary or feasible to collect monthly quotations for the articles under each of the statutory heads as such a procedure would have involved the employment of staff and expenditure out of all proportion to the use which could be made of the information for the end in view. It was therefore thought that it would be quite sufficient if prices were collected for the period before the new rates of duty came into force and for a period after the new duties had been in force for some time. With this end in view it was decided to collect prices ruling in December, 1932 and December, 1933 for the articles under the various statutory heads. Quotations were collected for competing preferential and non-preferential classes of articles under most of the heads. As prices were not available in any of the market journals the Collectors of Customs were requested to collect the price quotations through their appraising staff from the wholesale markets in their ports. It had not been possible of course to get competitive quotations under all items. These price quotations were consolidated and examined by the Department of Commercial Intelligence and Statistics and the detailed notes which follow later give all the material so collected through the Customs Houses and from other sources and discuss the conclusions which may be drawn from the available data.

Before turning to the detailed notes and statements it will be useful to state the tentative conclusions which may be arrived at on the general problem and the limitations under which its examination has to be carried out. The first limitation to be borne in mind is that in some cases the quality of the article for which the price is taken in the two periods may not be the same. The articles on which preference has been granted are manufactured articles in which standardisation and grading, which are possible with bulk commodities, cannot easily be carried out. In the circumstances the quality of the article, though called by the same name, has not necessarily been identical.

The second limitation and one which is common to most economic investigation is the inability of the enquirer to isolate the phenomena and to arrive

at a definite conclusion regarding the effect of any particular factor. In order to measure the effect of preference on prices frequently it will have to be assumed that other things remain unchanged ; frequently, as a matter of fact, other things do not remain the same. For example, the conditions of demand and supply for the article concerned may have varied during the course of the year and this may have a far greater influence on price than the preference itself. In the present period of depression, when prices have been changing it is extremely difficult to isolate the effects of preference from the effects of such forces on prices. Moreover, it is not possible in the case of the articles under consideration to ascertain the general changes in their price level. These articles do not enter largely into any wholesale index number or even into any sub-group of such an index number. Most of them are specialised manufactured articles for which the demand is particular and selective. Moreover, as it is not possible to standardise these articles they are seldom included in any of the index numbers available. In the circumstances it is not possible to obtain any information regarding the general changes in the price level of these articles in other countries. In India itself the available price index numbers take little cognizance of the articles on which preference has been granted. Indian price index numbers naturally deal more largely with agricultural commodities and raw materials in general, and manufactured articles form only a very small proportion of the quotations used in the compilation. It has therefore been impossible to separate the effects due to changes in the rates of duty on these articles from the effects due to general trade conditions. This is an important limitation and must always be borne in mind when examining the prices collected. A third limitation, which also proceeds from the unsettled times, is the effect of tariff changes and foreign exchange fluctuations on the prices of the imported articles. Tariff changes, quotas, prohibitions, etc., and quick exchange fluctuations upset price levels far more than a comparatively small factor such as the introduction of a 10 per cent. preference in the rate of duty. Since the United Kingdom went off the gold standard in September, 1931, and India followed suit, the normal exchange values of the rupee in terms of currencies of the gold countries have all been changed. Further the exchanges of many other countries have undergone serious fluctuations, *e.g.*, the value of the yen has been depreciated very considerably in the last two years and the fluctuations of the dollar exchange especially in the last year have been very wide. As is well-known these large fluctuations in exchange affect the prices of imported articles far more than the small addition or reduction in duty on account of a preference.

Another limiting factor which must be borne in mind is the presence between the producers in the various countries of "rings" and "understandings" which do not allow natural economic forces to have free play. As will be noted in a few of the detailed notes these "rings" have fixed prices in such a way as to neutralise to some extent the effect on price which might be expected from preference. All these limiting factors must be borne in mind in examining the price statistics that follow.

In order to have some background for the examination of the detailed prices a table is attached below which shows the changes in the price level in various countries and in India.

Index Numbers of Wholesale Prices.

[Base : 1913 = 100.]

	U. K. Board of Trade.	Belgium.	France.	Germany (Official.)	Holland.	Italy (Bachi).	Switzerland (a).	Australia.	China.	Japan.	United States Bureau of Labour.	British India (Calcutta).
Annual Average—												
1932 ..	101·6	532	427	96·5	79	304	96·0	129·7	112·4 (b)	121·7	92·8	91
1933 ..	100·9	501	398	93·3		280	91·0	129·5	103·4	135·6	94·5	87
1932, December	101·0	522	413	92·4	77	296	91·8	125·6	107·5	139·5	89·7	88
1933, January ..	100·3	521	411	91·0	75	292	91·3	123·5	108·7	139·8	87·4	88
February ..	98·9	512	404	91·2	74	286	90·1	122·2	107·8	135·7	85·7	86
March ..	97·6	504	390	91·1	72	281	90·0	122·5	107·1	134·0	86·2	82
April ..	97·2	501	387	90·7	71	279	91·1	124·8	104·6	133·1	86·5	84
May ..	99·2	502	383	91·9	72	279	91·9	129·2	104·2	133·6	89·8	87
June ..	101·7	507	403	92·9	73	281	91·2	132·3	104·5	135·7	93·1	89
July ..	102·3	506	401	93·9	73	279	91·7	133·7	103·4	137·6	98·7	91
August ..	102·5	501	397	94·2	73	278	90·9	134·6	101·7	136·0	99·6	89
September	103·0	496	397	94·9	75	276	90·8	136·1	100·4	137·8	101·4	88
October ..	102·6	489	397	95·7	75	274	90·7	132·8	100·3	136·3	102·0	88
November	102·8	485	403	96·0	76	273	91·0	130·0	99·9	135·0	101·9	88
December	102·8	484	407	96·2	77	275	91·3	132·0	98·4	132·6	101·6	89

(a) 1914 = 100. (b) 10 months only.

As has been remarked above, however, there are many considerations involved which render any facile conclusions based on this table full of pitfalls. In the first place currency changes have affected prices in the various countries. Conditions of demand and supply are also not similar in each of the countries in view of tariffs and quotas. Further, the same articles are not taken in constructing the index number in each of the country. But more than all these limitations the most important factor to be borne in mind is that the articles of import on which India has granted preference form only a very small proportion of the articles selected to construct the index numbers in most of the countries. Bearing all these limitations in mind, however, the table may be examined. It can be seen that since December, 1932, prices have been fairly steady within most countries the only exceptions being the United States of America and China. The former definitely attempted to raise its prices by depreciating the dollar and the latter was on the silver standard and as such was affected by the vicissitudes in the price of that metal. Apart from these two cases internal prices have been generally steady since December, 1932. The Board of Trade index number in the United Kingdom was 101 in December, 1932; by December, 1933, it had risen to nearly 103. Belgium and France were both on the gold standard and they show some fall in December, 1933, as compared with a year before, of 7 per cent. in the case of Belgium and 1½ per cent. in the case of France. Prices in Germany recorded an increase of nearly 4 per cent. from 92 to 96. Prices in Holland and Switzerland were almost on the same level in December, 1933, as in December, 1932, whereas prices in Italy and Japan registered a drop of nearly 7 and 5 per cent. respectively. The fall in the case of China was over 8 per cent. Prices in Australia and the United States of America registered an increase. In the case of the former it amounted to nearly 5 per cent. whereas in the case of latter it was over 13 per cent. It is interesting to note that prices in British India also were almost on the same level in December, 1933, as in December, 1932, the difference being only one point. From this table it will be seen that, on the whole, except where special currency features were operative prices were generally steady throughout the year. Apart from the gold standard countries there was a slight tendency for prices to rise. From this it may be concluded that a reduction in prices of preferential and non-preferential goods in India could not be wholly due to a great fall in the general price level especially in countries in the sterling group.

A further point to be considered in comparing the prices of these articles in the two periods is the exchange value of currency of the country from which the imports came. As has been remarked above, exchange has been unsettled and fluctuating violently in the case of a few countries with which India has trade relations. *The following table gives the exchange of the* various countries with England since January, 1932.

London Rates of Exchange.

	Paris. Francs to £1.	Brussels. Belgas to £1.	Milan. Lire to £1.	Zurich Francs to £1.	Amsterdam Florins to £1.	Berlin Marks to £1.	New York Dollars to £1.	Bombay Pence to Rupee.	Shanghai Sterling to Tael.	Japan Sterling to Yen.	Singapore Sterling to Dollar.
								s. d.	s. d.	s. d.	s. d.
Par level ..	124·21	35·00	92·46	25·22½	12·107	20·43	4·86-3/8	1 6	..	2—0-9/16	..
Beginning of—											
						gld. mks.					
January 1932.	86·37½	24·37½	66·62½	17·37½	8·44½	14·25	3·38¾	1 6-7/64	1 11-5/16	2 1¼	2 4½
1933.											
January ..	85·50	24·09-3/8	65·12½	17·34-3/8	8·31¼	14·00	3·33-5/8	1 6-3/16	1 7¾	1 3	2 3-29/32
August ..	85·00	23·85	63·18¾	17·20	8·24½	13·93¾	4·44	1 6-1/16	1 3	1 2-11/16	2 3-31/32
September ..	80·90-5/8	22·74	60·37½	16·41½	7·87	13·28-1/8	4·53-3/8	1 6-1/16	1 3-1/8	1 2-7/32	2 3-31/32
October ..	79·03-1/8	22·18	58·84-3/8	15·95	7·67	12·96½	4·77-13/16	1 6-3/64	1 3½	1 2¼	2 4-3/32
November ..	80·12½	22·47½	59·59-3/8	16·19	7·78	13·15	4·78-5/8	1 6	1 3-7/16	1 2-15/32	2 4-3/32
December ..	84·34-3/8	23·72⅜	62·75	17·05	8·20¼	13·82	5·21¾	1 5-63/64	1 3-7/16	1 2¼	2 4-3/32

It will be seen from the table that in the short period dealt with the exchange has been fairly steady in the case of most countries, the two exceptions being the sterling-dollar exchange and the sterling-tael (Shanghai) exchange. The exchange value of Franc, Belga, Lire as well as of Mark was almost the same at the beginning of December, 1933 as in January, 1933. In the case of New York, however, the dollar fell in value considerably, the exchange falling from 3·33-5/8 dollar to £1 in January, 1933 to 5·21¾ dollar to £1 in December, 1933. In the case of Shanghai, tael declined in value from 1 sh. 7¾*d.* to 1sh. 3-7/16*d.* Exchange with Japan was fairly steady as compared with the preceding year 1932 but the effect of the great fall in that year had not been completely worked off. The same was true of the exchange with Singapore. On the whole, therefore, exchange fluctuations could not have affected the prices of imported articles to a great extent, except in the case of goods coming from the United States of America, China and Japan.

The effects of tariff changes and quotas, etc., are not direct, so far as prices of imported articles are concerned, but act in a manner which affects the demand and supply of the various articles imported. It is not necessary therefore to consider the various changes in tariff, quotas, etc., in detail in this chapter.

The limitations under which the examination has had to be carried out have been briefly stated above. These limitations make any hasty conclusion a hazardous task; but in spite of this uncertainty certain *prima facie* conclusions seem to follow from the available data. These conclusions have been given in detail in later statements. The principal conclusion which seems to emerge in the light of the data is that prices of both preferential and non-preferential goods have gone down in most cases. The exceptions to the general tendency are due to some modifying factor, such as the presence of "rings" and "agreements" or the presence of a specialized demand or of a monopoly supply. For example, in the case of articles in which there is a "ring" of suppliers or an understanding between the suppliers not to complete unduly, the price of the article may remain at the same level in spite of the general falling in prices. The absence of competition makes this possible. Similarly, in the case of articles for which the demand is specialised the producer can pass on the additional duty to the consumer without sustaining any loss himself, as in such cases the demand is not likely to be affected by a small rise in price. Thirdly, where the supplier has a monopoly of a particular article then he can afford to increase his prices without inviting competition. Except in such cases, *i.e.*, except in case of defective competition, the prices of preferential and non-preferential articles have tended to fall. This was exactly what Government anticipated at the time of the debate on the Ottawa Agreement. On the 6th of December, 1932 in the Legislative Assembly the expectations of Government were quite clearly enunciated. The Hon'ble the Finance Member's remarks were as follows and they seem to have been borne out adequately by the data submitted in this chapter. He said,

"There is another point, a point which was touched on by Mr. Mody in his speech yesterday,—the effect on the consumer. Here, again, we believe that the continued competition, the very keen competition to which the trade

of every country is subjected today, that very keen competition will continue between foreign goods and British goods, so that if British goods get the advantage of a ten per cent. preference over foreign goods, and if that advantage is translated into terms of duty by giving the British goods a five per cent. lower duty than they have at present and putting on foreign goods a five per cent. higher duty than they bear at present, we believe that the competition will tend to reduce the prices at which foreign goods are sold to the level of the British goods, and that in the long run the tendency will be that the consumer will benefit from these changes. That, I admit, is a matter which must be carefully watched in the future, but that at present is our confident belief".

These remarks bring out the chief reasons why the consumer has not been adversely affected by the new preferential duties. In the case of the United Kingdom and the Colonies the preference was generally granted by reducing to some extent the duty on imports coming from those sources. As a result of this advantage the United Kingdom and the Colonies could afford to reduce their prices to some extent in order to capture the market from their competitors. That this has been so can be seen from the fact that prices in most cases of imports from the United Kingdom have shown considerable decreases. No doubt a part of this may have been due to a general falling tendency in prices of similar articles, but it cannot be denied that apart from this the decrease was certainly due to the reduction in the duty in favour of the United Kingdom and the Colonies. On the other hand, the duty on many of the other foreign countries was increased to some extent. One might expect that, other things being equal, this should lead to a rise in prices but the effects have been otherwise. The reasons for this lie chiefly in the present state of the world markets. With economic conditions such as they are at present most of the markets are weak, as demand is generally feeble for most articles, and supply outstrips the demand. Further, tariffs and quotas are having a strangling effect on international trade to such a degree that whatever trade remains is subject to severe competition. Every country therefore is trying its hardest, even sometimes at considerable sacrifice, to retain the existing markets. Non-preferential producers and importers can compete with preferential suppliers, firstly by reducing their margin of profit. If there is a sufficient margin of profit it has generally been reduced in order to overcome the additional duty. Secondly the foreign manufacturer tries to maintain his position by reducing his profit on articles in which he was competing with the preferential items and recouping himself by raising prices where the competition from preferential articles was not so keen. Importers themselves in India have followed this practice in some cases. For example, in the case of fruit juices, the importers reduced the price of non-preferential fruit juices in order to maintain competition with fruit juices coming from preferential sources and recouped themselves by increasing the price in the case of certain fruit juices where there was no competition. A similar procedure has been followed in the case of ale and beer. These examples show clearly how the importers have tried to adjust themselves to the changes in duty. But apart from this there is another factor which must be taken into consideration in examining the ability of the foreign producer to reduce his prices in competition with those of the United Kingdom articles. In the present economic world

with its high tariffs the manufacturer is assured of his home market. From that market he hopes to make considerable profit as the competition from foreign sources is negligible. After meeting the demand of his home market whatever remains is more or less in the nature of surplus to him and this surplus he can afford to sell even at a considerable sacrifice and in some cases actually at prices in the foreign market below those in the home market. This has probably been one of the principal factors which have enabled the foreign manufacturers to compete with the United Kingdom. Lastly, the price reduction may have been affected by imperceptibly reducing the quality of the supplies. The general consumer is not very quick to notice changes in quality and as long as the price is not affected he goes on buying the same particular make of article. Some of the Collectors of Customs have definitely stated that some prices have been reduced at the cost of quality. These various factors have helped the foreign producer to reduce his prices in spite of the increase in duty against him. But by whatever method the end was achieved the fact remains that the prices of both preferential and non-preferential items have fallen in most cases and the consumer therefore has profited to some extent as a result of the scheme of preferences. The following detailed statements and notes bring out this point.

CLASS I.

In the case of the following articles preference was accorded to the United Kingdom and British Colonies as the case may be by reducing the standard rate of duty by 5 per cent. on imports coming from these countries and raising it against other countries to an equal extent.

No. 162.—Fruits and vegetables, all sorts, fresh, dried, salted or preserved, not otherwise specified, including vanilla beans.

Description.	Country of origin.	Rate per	Market prices at Rangoon. December 1932.	Market prices at Rangoon. December 1933.
			Rs. As.	Rs. As.
Fresh Fruits—Oranges ..	Palestine ..	Case of 40 lbs.	*9 1	*8 12

*Duty-paid invoice price.

Quotations at Rangoon for fresh oranges from Palestine are alone available under this head. The fruits were slightly cheaper than in December 1932. Imports of preferential fresh fruits at this port were negligible. The bulk of the Colonial fresh fruits imported into Rangoon is from the Straits but as the consignments were not supported by acceptable documents they were excluded from the benefits of the preference. It is not possible to judge the effects of the preference on prices from one quotation only.

No. 163.—Cocoa and chocolate other than confectionery.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Cocoa—					
Cadbury's	U. K. ..	Dozen ½lb. tins.	8 8	8 2	Calcutta.
Van Houten's	Netherlands	,,	9 7½	9 10	,,
Cadbury's	U. K. ..	½ lb. tin ..	*0 12	*0 12	Bombay.
Bournevilles	,, ..	,, ..	*0 13	*0 12	,,
Van Houten's	Netherlands	,, ..	*1 1	*1 1	,,
Cadbury's	U. K. ..	¼ lb. tin ..	*0 7	*0 6	,,
White Label	Foreign ..	,, ..	*0 9	*0 9	,,
Cadbury	U. K. ..	Dozen .. ½ lb. tin.	8 12	8 4	Karachi.
Van Houten (Brown Label)..	Netherlands	,,	9 1	9 8	,,
Cadbury's	U. K. ..	8 oz. ..	0 13	0 12	Madras.
Van Houten's	Netherlands	,,	1 3	1 4	,,
Cadbury's	U. K. ..	Dozen .. 1 lb. tin.	*15 9	*14 14	Rangoon.
Van Houten's	Netherlands	,,	*23 12	*24 7	,,

*Retail Prices.

Wholesale quotations for cocoa alone are available at Calcutta, Karachi and Madras, whereas Bombay and Rangoon have given retail quotations. Wholesale prices for cocoa coming from the United Kingdom registered a drop in prices amounting to 4 to 7½ per cent., whereas cocoa coming from the Netherlands rose in value from 2 to 3 per cent. The general tendency of retail prices of cocoa in Bombay and Rangoon has been, more or less, similar to the trend of wholesale prices though it is but natural that the retail prices should show some difference in some cases. In Madras, the preferential rate of duty had the effect of reducing the retail price of chocolate to a certain extent. From these prices it can be seen that the benefit of preference in the case of the United Kingdom was largely passed on to the consumers whereas they had to pay slightly more for foreign cocoa. It is interesting to note, however, that the share of the United Kingdom in imports under this head amounted to Rs. 2,16,235 or 76 per cent. whereas imports from non-preferential sources amounted to Rs. 69,492 or 24 per cent.

No. 164.—Coffee, canned or bottled.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Coffee (powder)—					
White, red and blue ..	U. K. ..	Dozen .. 1 lb. tins.	18 0	18 8	Karachi.
S. & W.	U. S. A. ..	,,	21 0	18 0	,,
Canned Coffee (S. & W.) ..	,, ..	,, ..	*14 5½	*11 5½	Rangoon.

*Duty-paid invoice price.

Wholesale quotations of coffee powder are available only from the Karachi market. Retail prices have been quoted from Rangoon, no other quotations from any other port are available. It appears from the above statement that the price of coffee coming from the United Kingdom increased by 8 annas or nearly 3 per cent. in the Karachi market, whereas coffee coming from the United States of America dropped in price by Rs. 3 or nearly 14 per cent. Rangoon also gives the quotations for canned coffee from the United States and this registered a decrease of nearly 21 per cent. in retail price. In spite of preference prices of coffee from the United Kingdom sources increased whereas that from America showed a considerable drop. This decline in American prices, however, is due to the drop in the dollar exchange from December 1932 to December 1933. At the beginning of January 1933 the rate of exchange between London and New York was 3·33-5/8 dollars to the pound ; by December 1933 it had fallen to 5·21¾ dollars per pound. This great fall in the American exchange explains the drop in prices of American supplies.

No. 165.—Fish, canned.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Fish canned—					
Salmon Maconichi—					
Pink	U. K. ..	Dozen .. 14 oz. tins.	*6 0	*6 0	Calcutta.
S. & W.—Red	U. S. A. ..	,,	*16 8	*13 0	,,
Salmon canned—					
(C. & B.)	U. K. ..	1 lb. tall tin	1 2	1 0	Bombay.
S. & W's.	U. S. A. ..	,,	1 4	1 4	,,
Sardine Edger ¼ Key tins. Brass label.	U. K. ..	Per case of 100 tins.	22 0	21 0	Karachi.
Sardine Skippers in oil ¼ Key tins.	Norway ..	,,	48 8	48 0	,,
Fish, Canned, C. & Bs. lobster	U. K. ..	8 oz. ..	1 12	1 4	Madras.
Fish, canned, Prawn ..	,, ..	Small tin	1 1	0 15	,,
Sardines	Foreign ..	tin ..	0 4	0 4	,,
Mortons—					
Herrings in T. Sauce ..	U. K. ..	Dozen .. 14 oz. tin.	†3 5¼	†3 1¾	Rangoon.
"Green" label Sardines in T. Sauce.	Japan ..	,,	†1 9½	†1 8½	,,

*Retail price.

†Duty-paid invoice price.

Wholesale quotations for this article are available from all the ports except Calcutta which gives only retail prices. Leaving Calcutta out of consideration, the prices of fish coming from the United Kingdom showed a fall ranging from 7 per cent. in Rangoon to 29 per cent. in Madras while prices of fish from other countries registered no change in Bombay and Madras, and only a slight fall of 1 and 4 per cent. in Karachi and Rangoon respectively. In Calcutta, the *ex*-duty landed cost for the United Kingdom produce was the same in December 1933 as a year ago but the retail prices of American Salmon during the same period recorded a decline of 21 per cent. chiefly due to the depreciation in the dollar exchange. It is interesting to note, however, that the prices in Bombay of the United States fish did not record any decrease in spite of the exchange fluctuations. It is difficult again to examine the effect of preference on prices in this case though neglecting American supplies it appears that the preference led to a fall in prices in the case of the article coming from the United Kingdom. The fall is not particularly noticeable in the case of supplies coming from the foreign countries. Imports of fish from the United Kingdom amounted in 1933-34 to Rs. 2,90,959 or 34 per cent and those from foreign countries Rs. 4,74,684 or 56 per cent.

No. 166.—Fruit Juices.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Fruit Juice "Solo" (British)	U. K.	Dozen Bottles.	17 0	17 0	Calcutta.
,, "Jafforenge"	Palestine	Dozen	18 12	19 8	,,
Rose's Lime Juice cordial	U. K.	Bottle	1 10	1 10	Bombay.
,, Lemon Squash	,,	,,	1 8	1 7	,,
,, Orange Squash	,,	,,	1 8	1 7	,,
Jaffa Orange	Foreign	,,	1 14	1 12	,,
,, Lemon Squash	,,	,,	1 14	1 12	,,
Rose's Lime Juice pure	U. K.	Case of 12 qts.	19 8	19 8	Karachi.
Asis Jaffa orange juice	Palestine	,,	19 8	20 12	,,
Lime Juice—Rose's	U. K.	Dozen	19 12	19 8	Rangoon.
,, O. T.	Australia	,,	17 8	18 8	,,

The United Kingdom prices appear to have been generally maintained at or about their old level while those for juices from Palestine, Australia and other foreign countries have advanced by 4 per cent. in Calcutta and 6 per cent. in Karachi and Rangoon. In Bombay, on the other hand, the importers reduced the prices of Jaffa (Palestine) orange and lemon squash owing to competition with similar fruit juices from the United Kingdom. But what they lost in reducing the price of fruit juices from other countries they made good by maintaining the price of Rose's Lime Juice Cordial for which there was no competitor. It appears from the table that the preference did not lead to any tangible reduction of prices in the case of supplies coming from the United Kingdom, whereas except in the case of Bombay the price of foreign supplies was increased as a result of the increased duty.

No. 167.—Fruits and vegetables, canned or bottled.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Canned fruits and vegetables, Strawberries, C. & B.	U. K. ..	Dozen .. 2 lb. tin.	10 8	10 8	Calcutta.
Apricot, IXL	Australia ..	,, ..	7 12	7 12	,,
C. & B.'s Raspberries No. 2 ..	U. K. ..	Tin ..	1 0	0 15	Bombay.
Pineapple slices, Clock brand	Singapore	4 dozen .. 1½ lb. tin.	9 12	9 4	Karachi.
Peaches, Morton's	U. K. ..	2 Doz. .. 2½ lb. tin.	21 0	19 0	,,
Peaches in syrup, S. & W. ..	U. S. A. ..	,, ..	11 4	9 4	,,
C. & B. Green Peas	U. K. ..	Dozen .. 1 lb. tins.	4 0	3 12	,,
Moyens Green Stella ..	Belgium ..	Dozen .. 10 oz.	3 2	3 0	,,
Turkey figs C. & B.'s ..	U. K. ..	Bottle ..	3 0	2 12	Madras.
Greengage	,, ..	,, ..	1 7	1 4	,,
Rhubarb	,, ..	,, ..	1 2	1 0	,,
Apricots	,, ..	5 lb. tin ..	6 14	5 8	,,
Peaches	,, ..	,, ..	5 8	4 8	,,
Pears	,, ..	,, ..	7 4	6 8	,,
Prunes	,, ..	,, ..	3 0	2 12	,,
B L. Mushrooms C. & B.'s ..	,, ..	10 oz. tin ..	1 10	1 9	,,
Champignon	,, ..	Tin ..	1 0	0 11	,,
V. E. Green Peas	,, ..	.. ..	0 7	0 6	,,
Canned vegetables—Morton's Brussels sprouts.	,, ..	Dozen .. 1 lb. tin.	*6 8⅓	*6 2¼	Rangoon.
Canned vegetables—Morton's celery.	France .	Dozen .. 1 lb. tin.	*6 0	*6 7⅛	,,

* Retail prices.

A few quotations of foreign supplies are available but the bulk of the quotations are for the United Kingdom articles. It appears from the quotations that the prices of both preferential and non-preferential canned fruits and vegetables have declined, the only exception being canned vegetables coming from France into Rangoon which recorded an increase. In Calcutta the prices remained unchanged to the consumers. It is difficult to examine the effect of

preference in this case as it appears that the drop in prices in the case of both United Kingdom and foreign supplies may be due to the changes in the demand or supply and not as a result of the changes in duty. The imports from the United Kingdom amounted in 1933-34 to Rs. 1,94,655 or 20 per cent. and those from foreign countries to Rs. 4,60,457 or 46 per cent.

No. 168.—Milk, condensed or preserved including milk cream.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Condensed Milk British Bell Brand (skimmed).	U. K. ..	Case of 4 doz.	9 0	8 8	Calcutta.
Axe in hand brand skimmco ..	Italy ..	,, ..	7 12	8 0	,,
Milk condensed—Dancow 1*s*.	Holland ..	Cases of 48 tins.	27 0	27 0	Karachi.
Milk condensed—Nestles 1*s*. ..	U. K. ..	,, ..	30 0	30 0	,,
Milk condensed—Milk maid ..	U. K. ..	Pint tin ..	0 10	0 9	Madras.
Do. ..	Foreign ..	,, ..	*0 10	*0 10	,,
Nestles cream	,, ..	1 size tin	1 12	1 11	,,
Do.	Foreign ..	,, ..	1 12	1 12	,,
Evaporated Milk "Alpine" brand.	U. K. ..	Case of 48 lb. tins.	17 14¾	16 9¼	Rangoon.
Evaporated milk—"Dykeland" Brand.	Holland ..	,, ..	17 14	16 10	,,

* Retail price.

Quotations are available from all ports except Bombay. In the latter port the principal imports are of Nestle's brands which are imported both from Switzerland as well as from the United Kingdom. The distributors have made no change in their prices because of a lower duty which they pay on their British importations. As regards the other ports, it appears that prices of the United Kingdom supplies have gone down to a certain extent in all the ports whereas prices of foreign supplies show an increase in Calcutta. Prices of foreign supplies have been maintained in other ports the only exception being Rangoon where the prices of foreign supplies have gone down almost to the same extent as in the case of the United Kingdom supplies. The two brands in Rangoon have been in competition for some time but since the Ottawa duties the British commodity has been lower in price. From this it appears that prices of the United Kingdom supplies have, to some extent, been reduced as a result of the preference whereas prices of foreign supplies have either gone up or have been maintained at the same level. The share of the United Kingdom in this

trade amounted in 1933-34 to Rs. 14,45,568 or 32 per cent. whereas those from other countries Rs. 31,05,484 or 68 per cent.

No. 169.—Sago (excluding sago flour).

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Sago and tapioca	Straits Settlements.	Cwts. ..	8 0	9 8	Bombay.
Sago-Whole	Do.	,, ..	9 8	8 0	Rangoon.

There are no competitive quotations available in the case of these articles, Bombay and Rangoon giving prices of supplies from the Straits Settlements. Although no preference was allowed in Rangoon on bulk of the imports from the Straits Settlements the price of Sago-Whole, consigned therefrom fell by 16 per cent. in December 1933 as compared with a year ago. In Bombay, on the other hand, sago and tapioca prices advanced by 19 per cent. during the same period. The increase was however due mainly to a temporary scarcity. It has been reported that imports from Java have fallen off because of the operation of preference in favour of the Straits Settlements. No conclusion can be drawn from the available data as regards the effect of preference on prices.

No 170.—Canned or bottled provisions, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Canned and bottled provision other sorts, Wall sausages ..	U. K. ..	Dozen 1 lb. tin ..	8 8	8 8	Calcutta.
Libby's Frankfurter ..	U. S. A. ..	,,	13 0	10 8	,,
C. & B.'s ox tongue ..	U. K. ..	Large tin..	3 10	3 8	Bombay.
Libby's ox tongue	Foreign ..	,,	4 12	4 12	,,
Olive oil (C. & B.'s)	U. K. ..	Quart bottle	2 12	2 8	,,
J. L. Duret & Co.'s Olive oil ..	Foreign ..	28 oz. bottle	2 8	2 8	,,
Olive oil	U. K. ..	Dozen 10 oz. bottle	9 4	9 4	Karachi.
Morton's real Oxford sausage	,, ..	,, ..	12 8	12 0	,,
Mince meat C. & B.'s ..	,, ..	tin ..	0 12	0 10	Madras.
Pudding	,, ..	1 lb. tin ..	1 4	1 2	,,
Do.	,, ..	2 lb. tin ..	2 4	2 0	,,
Do.	,, ..	3 lb. tin ..	3 4	3 0	,,
Sausage—Lazenty's Chef ..	,, ..	1 lb. tin ..	0 14	0 13	,,
Soup	,, ..	$10\frac{1}{2}$ oz. tin	0 8	0 6	,,
Houstinc Lunch Tongues ..	,, ..	1/2 lb. tin	1 0	0 13	,,
Do.	,, ..	1 lb. tin ..	1 12	1 5	,,
Canned sausages—Wall's ..	,, ..	Dozen 1 lb. tin ..	*6 14	*6 7	Rangoon.
Do. Danish ..	Denmark ..	,, ..	*4 7	*4 12	,,

*Duty-paid invoice price.

The prices available are chiefly of the United Kingdom supplies, foreign quotations being only few in rumber. It appears, however, that the United Kingdom prices have generally shown a tendency towards a fall and only in a few cases have the quotations remained the same whereas quotations for foreign supplies, except those from the United States, have either remained at the same level or have shown some increase. In the case of the United States the exchange enabled prices to be reduced very considerably. It appears that the preference has enabled the United Kingdom to reduce prices to some extent whereas importers of foreign supplies have not been able to reduce prices to any extent. The share of the United Kingdom in this trade amounted to Rs. 22,14,687 or 62 per cent., whereas that of other countries Rs. 13,45,740 or 38 per cent.

No. 171.—Gums, Arabic, Benjamin (Ras and Cowrie) and Dammer (including unrefined batu) and rosin.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Benjamin—Ras	Straits Settlements.	Cwt.	33 0	26 0	Rangoon.

Only a single quotation for gum Benjamin imported from the Straits Settlements has been provided by Rangoon. This shows a fall of 21 per cent. in price. But as no preference was allowed on consignments from the Straits, the decline cannot be connected with the tariff. In Bombay also the Colonial imports failed to qualify for preference. From a single quotation it is not possible to judge the effects of preference.

No. 172.—Natural essential oils, viz., *Citronella, Cinnamon and Cinnamon Leaf.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Citronella Oil	Ceylon ..	lb. ..	1 9	1 4	Bombay.
Citronella oil (Burgoynes) ..	U. K. ..	1 lb. bottle	3 0	2 10	Karachi.
„ (in drums). ..	Ceylon ..	lb.	1 10	1 6	„
Citronella oil-(Burgoynes) ..	U. K. ..	„ ..	3 4	3 2	Madras.
„ „ „ ..	Ceylon ..	„ ..	1 8	1 12	„
Evan's Standard rate ..	Foreign ..	„ ..	1 12	2 4	„
Citronella oil	Ceylon ..	1 lb. bottle	2 0	1 8	Rangoon.
„ „	Japan ..	„ „ ..	1 10	1 13	„

Quotations for Citronella oil only are available under this head. There was a general decline in the market values of the preferential imports which ranged between 4 to 25 per cent. This was especially marked in the case of imports from Ceylon, Madras, however, proving an exception where a sharp rise of nearly 17 per cent. was recorded. There was a general increase in the case of foreign consignments varying from 12 to 29 per cent. It appears therefore that the benefit of preference was certainly passed on to the consumers to

a large extent. Prices of foreign supplies increased more than the increase in duty. This fact has probably some other explanation.

No. 173.—Natural essential oils, all sorts, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Aniseed oil	China ..	lb. ..	1 8	2 0	Bombay.
Cassia oil	,, ..	,, ..	1 2	1 4	,,
Orange oil	U. K. ..	,, ..	11 0	6 10	Karachi.
Lavender oil	Germany..	,, ..	12 0	9 0	,,
Orange oil	U. K. ..	,, ..	5 10	5 8	Madras.
Orange oil (Potax & Schwarz)	Italy ..	,, ..	4 0	4 4	,,
Cassia oil	U. K. ..	1 lb. bottle	1 6	1 3	Rangoon.
,, ...	Japan ..	,, ..	1 8	1 14	,,

Quotations have been received from all the chief ports except Calcutta. It appears that in Karachi the prices of both the United Kingdom and German oils were reduced very considerably. It has been reported that the prices of German oil were reduced by the manufacturers probably to meet competition from the United Kingdom. As regards other ports it can be seen that prices of foreign supplies have gone up to some extent whereas prices of the United Kingdom supplies registered some fall. It can therefore be surmised that preference enabled the United Kingdom prices to be reduced and to that extent the advantage of preference was passed on to the consumer. The total imports from the United Kingdom amounted in 1933-34 to Rs. 1,56,663 or 24 per cent. as against Rs. 4,84,592 or 76 per cent. from other countries.

No. 174.—Essential oil, synthetic.

Description.	Country of origin.	Rate per.	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Synthetic Essential oil—					
Jasmin	Germany..	lb. ..	9 10	10 0	Bombay.
Rose	,, ..	,, ..	9 14	10 0	,,
Narciss	,, ..	,, ..	9 12	10 0	,,
Soorangi	,, ..	,, ..	9 14	10 0	,,
Citronella oil synthetic ..	U. K. ..	,, ..	1 8	1 8	Karachi.
Germania oil synthetic ..	Germany..	,, ..	8 0	8 0	,,
Rose oil synthetic (Polak's) ..	,, ..	¼ lb. ..	1 8	1 10	,,
Des. Collanses :— 144 Rose, Musk, Narcissus or Jasmin	Foreign ..	Each. 4 oz. bottle.	3 2	3 4	Madras.
Des. Collanses :— 140 Lilac 1/202	,, ..	Dozen ..	8 0	7 14	,,
Jasmin synthetic for soap (Schimmel)	,, ..	lb. ..	*7 8	*8 3½	,,
White Rose, 10648 (Schimmel)	,, ..	lb. ..	*21 10-2/3	*21 5½	,,
Musk Artificial oil	Germany..	1 lb. bottle.	*17 15	*16 3	Rangoon.

* Invoice price and duty.

Imports of synthetic essential oils from the United Kingdom are normally very small and in the statement quotations are available for only one variety from the United Kingdom, *viz.*, Citronella oil synthetic. That records no change whatever. As regards foreign imports the prices in December, 1933, were generally slightly higher than in December, 1932. In Madras, however, certain foreign brands recorded a small decline but this was probably due to an absence of demand. The slight increase in the price of foreign essential oils may be due to the preference though it is difficult to state what other factors may have also affected prices.

No. 175.—Fish oil, including whale oil.

Description.	Country of origin.	Rate per.	Market prices. December 1932. Rs.	As.	December 1933. Rs.	As.	At
Fish oil (Neats foot) ..	U. K. ..	Imperial gallon.	2	10	3	0	Bombay.

Strictly comparable figures are not available from any of the Custom Houses under this item. From the statement it will be seen that the prices in Bombay of the British oil was higher by 14 per cent. in December, 1933, as compared with a year ago.

No. 176.—Oilseeds, non-essential, all sorts, not otherwise specified, including copra or coconut kernel.

Description.	Country of origin.	Rate per.	Market prices. December 1932. Rs.	As.	December 1933. Rs.	As.	At
Copra kernel	Ceylon ..	Cwt. ..	15	12	8	12	Bombay.

Copra is the only important item under this head and comes almost exclusively from Ceylon which registered an unusually heavy fall of 44 per cent. in price. The fall does not appear to be entirely due to the lower duty. Although this has benefited the consumer, the Indian producer has been hit to some extent.

No. 179.—Ivory, unmanufactured.

Description.	Country of origin.	Rate per.	Market prices. December 1932. Rs.	As.	December 1933. Rs.	As.	At
Centres and Hollows ..	Colonial ..	lb. ..	10	0	6	8	Bombay.
Do. ..	Foreign ..	,, ..	8	0	6	0	,,

The imports are mainly from British African Colonies and Belgian Congo. The prices of imports from all sources show a general decline the extent of which in the case of preferential items amounts to 35 per cent. against 25 per cent. recorded by non-preferential items. The larger drop in the price of preferential articles is striking.

No. 180.—Apparel including hats, caps, bonnets, hatters' ware, second-hand clothing, etc.

Description.	Country of origin.	Rate per.	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Cotton Dollars "Climax"	U. K.	Dozen	4	0	3	8	Calcutta.
" " "	Japan	"	3	0	2	4	"
Braces	U. K.	"	8	0	7	8	Bombay
"	Japan	"	3	8	2	12	"
Dress shirts	U. K.	"	37	0	36	0	"
Straw hats—							
Untrimmed	U. K.	"	15 to 21	0 / 0	12 to 18	0 / 0	Madras.
Trimmed	"	"	24 to 36	0 / 0	21 to 30	0 / 0	"
Felt hat	Italy	"	24 to 32	0 / 0	29 to 36	0 / 0	"
" "	Japan	"	16 to 21	0 / 0	11 to 18	0 / 0	"

Note to Statutory No. 180.—In Bombay, imports of second-hand clothing is practically all of U. S. A. origin. As for the rest of the articles prices depend on the quality which is not uniform between countries. The fall in the prices of the Japanese varieties is due to the fall in the invoice cost. The exchange has not been so fluctuating for the 12 months in question as to be entirely responsible for the fall. Braces have been chosen as a typical instance of English imports the prices of which indicate that the preference works.

Imports of second-hand clothing are mainly from the United States of America, the United Kingdom having only a small share in the trade. As for the rest of the articles prices depend on the quality which is not uniform between countries and as a result they vary over a wide range. Generally speaking, however, the United Kingdom goods appear to have declined in value by 3 to 20 per cent. Although the Yen exchange was comparatively steady throughout 1933, Japanese varieties recorded a greater fall ranging between 14 to 31 per cent. This is accounted for mainly by keen price-cutting among importers. Italian felt hats, on the other hand, sold at higher price in Madras by 12 to 21 per cent. On the whole, it is difficult to judge the effects of preference as regards this article especially as competition from Japan is very keen. It may be concluded, however, that consumers have not suffered by this preference.

No. 181—Chemicals, drugs and medicines, all sorts not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Muriate of Ammonia Crystals	U. K. ..	Cwt. ..	16 4	14 8	Calcutta.
Do. do. ..	Germany ..	" ..	20 0	20 13¼	"
Ammonium Carbonate ..	U. K. ..	" ..	26 0	23 4	Bombay.
Do.	Italy ..	" ..	25 8	22 0	"
Soda Ash	U. K. ..	" ..	7 0	6 8	"
Do.	Germany ..	" ..	6 12	6 10	"
Hypo	U. K. ..	" ..	No selling	11 8	"
Do.	Germany ..	" ..	12 8	12 0	"
Hydro Sulphite of Soda ..	U. K. ..	lb. ..	0 9	0 8½	"
Do. do. ..	Germany ..	" ..	0 9¼	0 9	"
Sodium Sulphide	U. K. ..	Cwt. ..	8 14	6 12	"
Do. ..	Japan ..	" ..	7 8	6 0	"
Perborate of Soda	U. K. ..	lb. ..	0 13	0 9¼	"
Do. do.	Germany ..	" ..	0 14	0 10½	"
Caustic Soda Solid	U. K. ..	Cwt. ..	14 1	13 10	"
Do.	Japan ..	" ..	12 14	11 12	"
Soda Ash	U. K. ..	" ..	6 12	6 12	Karachi.
Do.	Germany ..	" ..	6 12	6 12	"
Aspirin tablets (5 grain) (Howards) 100 tablets ..	U. K. ..	Dozen ..	7 12	7 12	"
Aspro—					
25 tablets	" ..	" ..	7 12	7 12	"
Genaspirin	Germany ..	" ..	10 0	10 0	"
Soda Ash	U. K. ..	Cwt. ..	7 10	7 6	Madras.
Do.	Foreign ..	" ..	7 0	6 8	"
Hydros	U. K. ..	" ..	59 8	59 8	"
Do.	Foreign ..	" ..	59 8	59 8	"
Bichromate of Potash ..	U. K. ..	" ..	42 1	42 2	"
Do. do.	Foreign ..	" ..	40 8	36 8	"
Bichromate of Soda	U. K. ..	" ..	32 12	32 12	"
Do. do. ..	Foreign	" ..	32 8	31 8	"
Copper Sulphate	U. K. ..	" ..	18 8	16 1	"
Do.	Foreign ..	" ..	18 0	15 0	"
Glucose liquid (Jhonson) ..	U. K. ..	Dozen 1 lb. bottle. ..	8 0	7 4	"
Glucose (Burgoyne)	" ..	" ..	10 8	9 12	"
Glucose (M. & B.)	" ..	" ..	7 8	7 8	"
Glucose (Marks)	Germany ..	" ..	10 8	16 0	"

No. 181—Chemicals, etc.—contd.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Hydrogen Peroxide (M. & B.)	U. K. ..	Case of 36 × 16 oz. bottle.	29 4	27 4	Madras.
Do. (do.) ..	" ..	Case of 72 × 8 oz. bottle.	43 12	40 8	"
Do. (do.) ..	" ..	Case of 72 × 4 oz. bottle.	31 0	29 12	"
Hydrogen Peroxide (Merks)	Germany ..	Dozen 20 oz.	14 0	15 4	"
Do. (do.) ..	" ..	Dozen 10 oz.	9 12	10 4	"
Do. (do.) ..	" ..	Dozen 4 oz.	6 8	6 12	"
Potassium Citrate (M. & B.) ..	U. K. ..	lb. ..	1 7½	1 5½	"
Potassium Citrate (Merks) ..	Germany ..	" ..	2 4	2 2	"
Sodii Sulphas P. B. (Howards)	U. K. ..	" ..	0 12	0 14	"
Sodii Sulphas P. B. (Merks) ..	Germany ..	" ..	0 14	1 0	"
Eastons Syrup (M. & B.) ..	U. K. ..	" ..	1 10½	1 12	"
Eastons Syrup (Merks) ..	Germany ..	" ..	1 4	1 8	"
Keplers Cod liver oil with Malt extract	U. K. ..	Dozen ..	17 0	16 4	"
Liquid Paraffin (Evans) ..	" ..	Dozen 1 lb. bottle.	15 0	16 0	"
Liquid Paraffin (bottled locally)	Russia ..	" ..	8 8	9 0	"
Silver Nitrate (Jhonson) ..	U. K. ..	oz. ..	1 8	1 4	"
Do. (M. & B.) ..	" ..	" ..	1 6¾	1 6¾	"
Do. (Byk.) ..	Foreign ..	" ..	1 4	1 2	"
Medicine—					
Genaspirin	U. K. ..	Dozen bottle of 35 tablets.	9 14	9 0	Rangoon.
Cafiaspirin	Germany ..	Dozen bottle of 20 tablets.	12 0	11 4	"

This head includes copper sulphate ; the specific duty of Rs. 3-12 per cwt. on this item was removed from 1st April 1933. This change together with the fluctuations in the prices of copper led to a reduction in the quotations for copper sulphate the extent of which was slightly higher in the case of the foreign product (17 per cent.) than in the case of the United Kingdom (13 per cent.). As for other chemicals prices of non-British goods are reported to have fallen

in Bombay due to competition with the United Kingdom products while the prices of soda-ash and aspirin at Karachi remained stationary, that for the former being fixed by agreement. Calcutta and Rangoon have furnished quotations for one item each; a fall of about 10 per cent. in the price of imports from the United Kingdom has been reported and in regard to the imports from foreign countries a small rise in one case and a similar fall in the other has to be noted. The position in Madras is more inconclusive as will be seen from the following analysis of quotations :—

Origin.	No. of quotations indicating. Fall.	Equality.	Rise.
U. K.	10	4	4
Foreign	7	1	6

From the above it can be seen that it is difficult to form definite conclusions as regards the effect of preference on prices under this item but on the whole it has not been to the disadvantage of the consumers.

No. 182.—Carriages and carts which are not mechanically propelled, etc.

Description.	Country of origin.	Rate per.	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Bicycles—					
Hercules	U. K. ..	Each ..	38 0	36 0	Calcutta.
Rostum	Japan ..	,, ..	18 0	15 0	,,
Bicycles—					
Hercules	U. K. ..	Piece ..	38 0	35 8	Bombay.
Japanese	Japan ..	,, ..	18 0	16 0	,,
Bicycles—					
Hercules	U. K. ..	Each ..	40 0	36 0	Karachi.
Advance	,, ..	,, ..	54 8	51 8	,,
Rims for Bicycles—					
Dunlop	U. K. ..	Pair ..	2 8	2 7	,,
,,	Japan ..	,, ..	2 0	1 12	,,
Frame with Handle and pedal	Japan ..	One ..	8 8	8 6	,,
Bicycle	U. K. ..	Each ..	42 0	38 0	Madras.
Bicycle—					
"Lion" Brand ..	,, ..	,, ..	*65 0	*60 0	Rangoon.
All Brands	Japan ..	,, ..	*29 8	*28 8	,,

* Retail price.

Prices of British and Japan made goods only have been quoted and they appear to have been considerably reduced in both cases partly due to a process of price-cutting and partly to exchange fluctuations. The reduction in the case of Japanese bicycles and parts has been somewhat greater (2 to 17 per cent.) than in the case of imports from the United Kingdom (2 to 10 per cent.).

No. 183.—Cutlery, all sorts, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. as.	Rs. as.	
Razors—					
(J. Rodgers)	U. K. ..	Dozen ..	8 0	6 6	Calcutta.
"ERN" (3118)	Germany..	,, ..	5 12	7 8	,,
Dessert knives "Bainco" ..	U. K. ..	,, ..	5 0	4 8	Bombay.
Dessert knives Kaufmann's ..	Germany..	,, ..	3 12	4 12	,,
Razors Rodgers S/8.. ..	U. K. ..	,, ..	6 0	6 0	Karachi.
"Flic"	Germany.	,, ..	15 0	14 4	,,
Pen knives—					
Rodgers K ¾"	U. K. ..	,, ..	7 0	7 0	,,
2¼"	Germany..	,, ..	1 12	1 12	,,
Table knives	U. K. ..	,, ..	*7 8	*7 8	Madras.
Do.	Japan ..	,, ..	..	*1 0	,,
Table knives—					
Dessert—					
Bonehandle	U. K. ..	,, ..	7 4	7 0	Rangoon.
Do.	Germany..	,, ..	4 0	4 0	,,
Do.	Japan ..	,, ..	2 8	2 8	,,

* C. I. F. *Cum* duty Prices.

Out of the six quotations furnished for the United Kingdom cutlery prices have fallen in three cases varying from 3 to 20 per cent. and remained constant in others. The prices of imports from Germany were generally either stationary or higher by 27 to 30 per cent., the only exception being "Flic" razors which recorded a fall in price due to the termination of a monopoly agency at Karachi. Japan has entered this trade recently and her prices are unchanged. From the quotations it appears that the United Kingdom has been able to cut her prices to some extent as a result of preference whereas foreign supplies had to increase their prices in certain cases. The share of the United Kingdom in this trade amounted in 1933-34 to Rs. 7,81,499 or 30 per cent. as against Rs. 17,68,644 or 70 per cent. from other countries.

No. 184.—Domestic Refrigerators.

Description.	Country of origin.	Rate per.	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. as.	Rs. as.	
Domestic Refrigerators "Marco"	U. K. ..	Each ..	*675 0	*607 8	Calcutta.
Frigidaire	U. S. A. ..	,, ..	*506 0	*487 8	,,

* Retail sales.

Quotations are available only from Calcutta, one for the United Kingdom product and one for the United States of America product. Reduction is notice-

able in the value of imports from both the United Kingdom (10 per cent.) and the United States of America (4 per cent.). The drop in the case of the latter is due to the dollar exchange while that in the case of the former is attributed to the combined effect of the preferential duty and competition with American makes.

No. 185.—*Hardware, Ironmongery and tools, all sorts not otherwise specified.*

Article.	Country of origin.	Rate per	Market Prices. December 1932.	Market Prices. December 1933.	At
			Rs. as.	Rs. as.	
Tools.—Files 12″ flat smooth ..	United Kingdom.	Doz. ..	9 10	9 2	Calcutta.
,, ,, ,,	Austria ..	,, ..	8 12	8 $14\frac{3}{4}$	,,
Slackseller's Hacksaw Blades	U. K. ..	Gross ..	17 0	15 0	Bombay.
Star (American) Hacksaw Blades.	U. S. A. ..	Gross ..	22 0	22 0 (upto June) 17 0 (July onwards)	,,
Thon Baker's Files 10″ ..	U. K. ..	Doz. ..	7 0	6 8	,,
Nicolson's American Files 10″	U. S. A. ..	,, ..	6 0	7 4	,,
Wood Screw	Continent	Gross inch. ..	0 3	0 $2\frac{11}{12}$ to 0 3	Karachi.
Do.	U. K. ..	Do. ..	0 $2\frac{10}{12}$ to 0 $2\frac{11}{12}$	0 $2\frac{10}{12}$	,,
Mantles 200 C. P. (Ditmar) ..	Germany ..	Gross ..	39 0	37 8	,,
Suitcase locks	U. K. ..	Doz. ..	1 2	1 2	Madras.
Do.	Foreign ..	,, ..	1 1	1 2	,,
Crown corks	U. K. ..	Gross ..	0 9	0 8	,,
Do.	Foreign ..	,, ..	0 11	0 $9\frac{1}{2}$	,,
Steel Files—Flat Bastard 14″	U. K. ..	Doz. ..	12 0	12 0	Rangoon.
Do.	Germany ..	,, ..	9 8	9 8	,,

This is a comprehensive head which includes a variety of items too numerous to mention. From the few varieties for which it has been possible to obtain quotations it appears that there has been a lowering of prices of files screws, etc., imported from the United Kingdom.

The decrease in price has been up to 12 per cent. Foreign makes, on the other hand, recorded increases in some cases and decreases in others. On the whole it appears that the preference has in no way adversely affected the consumers in this particular item inasmuch as prices have been reduced in many cases both by the United Kingdom and by some of the foreign competitors. The share of the United Kingdom under this item amounts to Rs. 97,55,822 or 34 per cent. as against Rs. 1,90,27,562 or 66 per cent. from foreign countries.

No. 186.—*Electrical instruments, apparatus and appliances, namely—*
(*a*) *Electrical control, gear, etc.* (*b*) *All other sorts, etc.*

Article.	Country of origin.	Rate per	Market Prices. December 1932.	Market Prices. December 1933.	At
			Rs. As.	Rs. As.	
Bakelite Switches 5 Amp. ..	U. K. ..	Doz. ..	7 12	6 8	Calcutta.
Bakelite Switches 5 Amp. ..	Germany ..	,, ..	4 4	4 4	,,
(C. M. A. Cables :) 1/80 S. W. G. V. I. R. 600 Megohms.	U. K. ..	100 yds. ..	4 12	4 8	Karachi.
Do. Deka ..	Holland ..	Do. ..	2 9½	2 9½	,,
G. E. C. Table Fans 12" A. C. Fixed.	U. K. ..	Each ..	38 11	38 11	,,
60" 220 Volts A. C. ceiling Fan (Mareli).	Italy ..	Do. ..	111 3	117 12	,,
Electrical appliance Rubber insulated cables 7/·044.	U. K. ..	100 yds. ..	25 3	24 3	Madras.
Do. ..	Foreign ..	,,	16 10	18 8	,,
Fans-Ceiling—48"	U. K. ..	Each ..	107 8	102 8	,,
Do.	Foreign ..	,,	81 4	86 0	,,
Switches-Bakelite 5 Amp. ..	U. K. ..	Doz. ..	5 11	5 0	Rangoon.
Do.	Austria	,,	3 11	3 2	,,
Electric Irons-3 Lbs. Size ..	U. K. * ..	Each ..	8 0	7 0	,,
Do.	Germany ..	,, ..	5 8	5 0	,,
Timber Switch, brass top, Single pole, 5 amps.	U. K.	Doz. ..	4 11½	4 4½	Bombay.
Do.	Continental	,, ..	3 10	3 8	,,
Do.	Japan ..	,, ..	2 12	2 4	,,
Ceiling rose, Bakelite, 2 plate	U. K. ..	,, ..	4 5	2 12	,,
Do.	Continental	,, ..	2 15	2 6	,,
Cutouts oblong, 5 amps., cream.	U. K. ..	,, ..	4 2½	3 14½	,,
Do.	Continental	,, ..	2 14	2 12	,,
Do.	Japan ..	,, ..	1 12	1 10	,,
Lamp-holders, brass, S. C. ..	U. K.	,, ..	3 1½	2 12	,,
Do.	Continental	,, ..	2 10	2 2 to 2 6	,,
Do.	Japan ..	,, ..	1 10	1 8	,,
Bakelite Adaptors	U. K. ..	,, ..	2 14¾	2 11	,,
Do.	Continental	,, ..	1 8	1 6	,,
Do.	Japan ..	,, ..	1 6	1 4	,,
Wall plug, watnut, 5 amp. ..	U. K. ..	,, ..	7 14	7 2	,,
Do.	Continental	,, ..	4 0	3 8	,,
Rubber insulated wires and cables sing. cable, Taped braided, 1/·044. ..	U. K. ..	100 yds. ..	4 7	3 13	,,
Do.	Germany ..	,, ..	3 12½	4 0½	,,
Do.	Belgium ..	,, ..	2 11½	2 9	,,
Do.	Japan ..	,, ..	3 6½	3 6½	,,

This is also a very comprehensive head comprising within it all sorts of electric appliances and accessories commonly in use. It will be seen from the table that the several items of the United Kingdom origin for which prices are available recorded a considerable fall. Though there has been a decline in the case of foreign articles it has been of a smaller magnitude. In some cases the foreign articles show increases as in the case of the Italian A. C. ceiling fans which increased in value by 6 per cent. and rubber insulated wires and cables from Germany which also recorded an increase of about 7 per cent. From this it again appears that the preference has not led to any appreciable increase in prices while the United Kingdom has been helped in reducing her quotations by the lower duty. Imports from the United Kingdom under this item amounted to Rs. 1,30,52,597 or 57 per cent. and those from foreign countries Rs. 1,00,28,764 or 43 per cent.

No. 187.—*Instruments, apparatus, and appliances all sorts, other than electrical.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. as.	Rs. as.	
Thermometers	U. K. ..	Doz. ..	16 0	16 0	Calcutta.
Thermometers	Germany ..	,, ..	4 0	6 0	,,
Stethescope	U. K. ..	Each ..	8 0	7 8	Bombay.
Stethescope (German) ..	Germany ..	,, ..	5 0	6 0	,,
Hypo Stainless needles ..	U. K. ..	Gross ..	30 0	24 0	,,
Hypo Stainless needles ..	Foreign ..	,, ..	20 0	27 0	,,
Thermometers Zeal's ..	U. K. ..	Doz. ..	13 8	12 12	,,
,, ½ minute Hick's	,, ..	,, ..	16 0	14 12	,,
,, Corsor's ..	,, ..	,, ..	15 0	13 8	,,
,, German ½ minute.	Germany ..	,, ..	9 0	12 0	,,
Measuring Tapes, 50′ ..	U. K. ..	,, ..	39 0	39 0	Karachi.
Do. ..	Germany ..	,, ..	12 0	12 0	,,
Photo Cameras	U. K. ..	Each ..	44 0	44 0	Madras.
Do.	Foreign ..	,, ..	23 0	29 0	,,
Roll films	U. K. ..	Roll ..	1 2	1 2	,,
Do.	Foreign ..	,, ..	0 15	1 3	,,

Among the articles that are included under this head the principal ones are surgical, optical and other scientific instruments in the imports of which the United Kingdom and Germany have the lion's share. The prices of British made goods have continued unchanged in Calcutta, Karachi and Madras. In the last named port the United Kingdom c. i. f. prices have advanced and this has maintained the quotation at the same level in spite of the reduced duty. In Bombay, on the other hand, there has been a general fall in the prices of all imports from the United Kingdom which varied from 6 to 20 per cent.

The quotations for foreign makes almost invariably show an increase ranging from 20 to 50 per cent. except in the case of German measuring tapes the price of which remains unchanged as manufacturers reduced prices to meet additional duty. In certain other German goods such as thermometers, the formation of a "Ring" by the manufacturers led to a rise in the landed cost. It is difficult in the case of these specialised instruments to say what effect preference had on prices. The effect, if any, is bound to be obscured by other considerations. The United Kingdom sent goods worth Rs. 75,79,902 under this head or 44 per cent., whereas other countries sent Rs. 95,42,816 or 56 per cent.

No. 188.—*Cutch and Gambier, all sorts.*

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Gambier in blocks	Straits Settlements.	Cwts.	19	8	15	0	Bombay.
Gambier in circles	Do.	„	49	0	34	0	„
Gambier Cube	Foreign	„			11 4 to 12	6	Madras.
Gambier Circular Pieces ..	Do.	„			45 0 to 46	4	„
Gambier (circular piece) ..	Straits Settlements.	„	55	0	48	8	Rangoon.

The imports are mostly from the Straits Settlements but no preference seems to have been allowed on the bulk of the imports. The market prices at both Bombay and Rangoon show a general decline. This seems to be due to causes not directly connected with the preference.

No. 189.—*Paints, Colours and Painters' Materials, all sorts not otherwise, etc.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Enamel Paint	U. K. ..	Doz. 6 oz. tin ..	4 12	4 8	Calcutta.
Enamel Paint	Japan ..	,, ..	3 8	3 8	,,
Peacock Blue dry colour ..	U. K. ..	Cwt. ..	36 0	35 0	*Bombay.*
Do. ..	Germany..	,, ..	33 0	34 0	,,
Emeraldine dry colour ..	U. K. ..	,, ..	37 0	35 0	,,
Emerald Green dry colour ..	Germany..	,, ..	33 0	36 0	,,
Genuine dry white Zinc in bulk	U. K. ..	,, ..	24 0	22 8	,,
Do. in bulk ..	Japan ..	,, ..	18 8	18 0	,,
Genuine dry white Zinc in 1 lb. packet.	U. K. ..	,, ..	50 0	45 0	,,
Do. in 1 lb. packet	Japan ..	,, ..	28 0	25 0	,,
Three Crowns Brand *Varnish* Paints.	*U.* K. ..	Doz. 1 lb. tin.	4 0	3 14	,,
Three Birds Brand Varnish Paints.	Japan ..	,, ..	3 6	3 8	,,
Three Crowns Brand Varnish Paints.	U. K. ..	Doz. 2 oz. tin.	1 4	1 2	,,
Three Birds Brand Varnish Paints.	Japan	,, ..	1 1	1 3	,,
Enamel Paints	U. K. ..	Gallon. ..	7 8	7 8	,,
Enamel Paints	Holland ..	,, ..	7 0	7 0	,,
Sand paper Hercules brand ..	U. K. ..	Ream ..	8 0	8 0	Karachi.
Sand paper	Germany..	,, ..	7 0	..	,,
Do.	Italy ..	,, ..	..	6 0	,,
Burnt Sienna (Blundell) ..	U. K. ..	10 Doz. 1 lb. packet.	36 0	34 0	,,
Burnt Sienna	Germany..	Do.	18 0	18 0	,,
Goodlass 346 white Paint ..	U. K. ..	Keg of 18 lbs.	4 1	3 12	,,
Scisco Varnish Paint ..	U. K. ..	Doz. .. 1 lb. tin.	4 3	4 1	,,
Varnish Three Birds ..	Japan ..	,, ..	3 8	3 8	,,
Middle red chrome	U. K. ..	Cwt. ..	73 8	65 0	Madras.
White Paint (14 lbs.) ..	U. K. ..	Cwt. ..	31 0	30 0	,,
Do. (28 lbs.) ..	U. K. ..	Cwt. ..	27 4	26 12	,,
Green Powder	Foreign ..	Cwt. ..	15 8	14 0	,,
"Duco" Paints	U. K. ..	Gallon ..	27 12	27 12	,,
Paint—Genuine White Zinc moist (Hubbock's).	U. K. ..	Cwt. ..	41 8	37 8	Rangoon.
Paint—Genuine White Zinc moist "Flower" Brand.	Japan ..	,, ..	22 0	24 0	,,

Under this head 17 quotations for articles of the United Kingdom origin are available. Out of these in the case of three the prices have remained unchanged and as regards the rest there has been a fall in prices ranging from 3 to 12 per cent. The prices of non-preferential imports also were unchanged in many cases, whereas in others fluctuations in both directions could be seen. The prices in these cases were lowered in order to meet competition from the United Kingdom. According to the Collector of Customs, Madras, the benefit of the preference has generally been passed on to the consumers but in certain cases this has also been retained by the exporters. This probably sums up the situation correctly but the figures show at least that the prices have not in general been raised against the consumers.

No. 191.—*Earthenware, china and porcelain, all sorts, not otherwise specified.*

Description.	Country of origin.	Rate per	Market prices December 1932.	Market prices December 1933.	At
			Rs. AS.	Rs. AS.	
Tea Cups and Saucers ..	U. K. ..	Doz. ..	4 8	4 8	Calcutta.
Tea Cups and Saucers ..	Japan ..	,, ..	0 11	0 12	,,
Johnson's Earthen Cheese Plates (Quarter).	U. K. ..	Doz. ..	2 0	1 12	Bombay.
Japanese Cheese plates Quarter	Japan ..	,, ..	1 8	1 6	,,
Johnson's dinner set for 6 ..	U. K. ..	Set ..	16 8	15 0	,,
Japanese dinner set for 6 ..	Japan ..	,,	14 0	14 0	,,
No. 4 Brown Tea pot ..	U. K. ..	Doz. ..	7 0	7 0	Karachi.
No. 4 coloured	Japan ..	,, ..	2 8	2 8	,,
Earthenware Plates—9" ..	U. K. ..	Doz. ..	2 12	2 12	Madras.
Do.	Austria ..	,, ..	2 4	2 4	,,
Do.	Japan ..	,, ..	1 8 to 1 12	1 8 to 1 12	,,
Earthenware Plates—9" diameter	U. K. ..	Doz. ..	2 11	2 6	Rangoon.
Do.	Japan ..	,, ..	1 8	1 2	,,

The two chief competitors under this head appear to be the United Kingdom and Japan. Quotations of articles imported from both the countries either remained unchanged or recorded a decrease from 8 to 25 per cent. This meant that there was very keen competition between the two countries and as Japan cut prices in spite of the increased duty the consumer did not lose to any extent by the preference. The shares of the United Kingdom and Japan in this trade were Rs. 12,23,605 and Rs. 25,94,672 or 28 and 60 per cent. respectively.

No. 192.—*Furniture and Cabinetware of all materials excluding mouldings.*

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Iron combination beds without iron poles.	U. K. ..	Piece ..	13	4	12	0	Bombay.
Wooden Folding Chair ..	Czechoslovakia.	Doz. ..	60	0	57	0	"
Iron bed-stead $6\frac{1}{2} \times 3'$ Pyramid	U. K. ..	Each ..	17	0	15	0	Karachi.
Wood Chairs	Czechoslovakia.	" ..	5	0	5	4	"

Under this head imports from the United Kingdom consists almost exclusively of iron bed-steads and in those from elsewhere chairs predominate. British made bed-steads appear to have declined in price by 9 to 12 per cent. while wooden chairs from Czechoslovakia record a fall of 5 per cent. in Bombay but an increase of 5 per cent. in Karachi. The fall in the case of Bombay is explained by the reduction of the cost of production though why it should not affect similar chairs in Karachi is difficult to understand. This is probably due to local market conditions. On the whole, it appears that no conclusion can be drawn from these quotations which are hardly comparable.

No. 193.—*Skins, tanned or dressed, unwrought leather, leather, leather cloth, etc.*

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Glace kid skins	U. K. ..	Sq. ft. ..	0	11	0	11	Bombay.
American patent	U. S. A.	"	0	11	0	10	"

The United Kingdom specialises in Glace kid skins but as there was an increase of $\frac{1}{2}$*d.* in the cost of production the quotations for the English skins have remained unchanged. On the other hand, the United States of America which sends patent leather was enabled to reduce her prices by 9 per cent. because of the depreciation of the dollar. The two quotations appear hardly comparable and no conclusions can be drawn.

No. 194.—*Machinery and component parts thereof, meaning part, etc.*

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Pitcher hand pump.. ..	U. K. ..	Piece ..	13	0	15	0	Calcutta.
Pitcher hand pump.. ..	U. S. A. ..	" ..	9	8	9	8	"
Sewing machine Singer 15 K 4 with cover and handle attachment.	U. K. ..	Each ..	158	0	158	0	Karachi.
"PFAFF" Central bobbin ..	Germany ..	" ..	125	0	125	0	"
Sewing machine	U. K. ..	Each ..	158	0	158	0	Madras.
Do.	(Foreign)..	" ..	155	0	170	0	"

There has been no reduction in the United Kingdom prices; on the other hand, due to an improvement in demand Pitcher Hand-pump prices in Calcutta advanced by 15 per cent. In Madras and Karachi prices of sewing machines and parts thereof of British make continued unchanged, presumably as a result of an increase in *c. i. f.* prices. On the other hand, prices of foreign sewing machines recorded an increase of nearly 10 per cent. in Madras. As these are specialised and proprietary machines their prices are not likely to be so sensitive to preference as in the case of bulk articles where the competition is keener.

No. 195.—*All sorts of Iron and Steel and manufactures thereof not otherwise specified.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Iron Screws (Gerest keen and Nattlefield) 1" No. 8.	U. K. ..	Gross ..	0 5	0 3¾	Bombay.
Iron screws. (Belgium-Sweden) 1" No. 8.	Belgium / Sweden.	,, ..	0 4¼	0 3½	,,
Green wire gauge 2'×50'×23/1 Mesh.	Continent	Roll ..	4 10	4 5	Karachi.
Wire fencing woven 8.45.12	U. K. ..	Yrd. ..	0 6	0 6	,,
Wire fencing woven 10.47.12	,, ..	,, ..	0 7	0 7	,,
Galvanized ridging 6' 6" ⅛" ..	,, ..	Ft. ..	0 8	0 7½	Madras.
Steel Chains Short Link—½" ..	,, ..	Cwt. ..	*13 0	*12 8	Rangoon.
Do. ..	Belgium ..	,, ..	*10 0	*9 8	,,

* Duty paid Invoice price.

There appears to be a general decline in prices of the various articles quotations for which are available under this head. The decrease is common both to preferential and non-preferential items. In other words owing to competition foreign suppliers have reduced their prices in spite of the increased duty. The consumer presumably therefore gets the advantage under this item.

No. 196.—*Metals and manufactures thereof, namely, (a) Aluminium—Circles, sheets and other manufactures, not otherwise specified.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Aluminium circle	U. K. ..	Lb. ..	0 15	0 14	Calcutta.
Aluminium circle	Canada ..	,, ..	0 15	0 14	,,

Market quotations in Calcutta only for aluminium circles are available. Only two quotations have been given, one for the United Kingdom and the other for Canada. The prices of both follow exactly the same course and show

a decrease of 7 per cent. as compared with the preceding year. The fall in the case of Canadian supplies has been explained as due to decrease in landed cost following the depreciation of the exchange.

(*b*) *Brass, bronze and similar alloys, wrought and manufactures thereof, not otherwise specified.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Brass sheets	U. K.	Cwt.	32 10	32 10	Calcutta.
Brass sheets	Germany	,,	32 10	32 10	,,
Brass or yellow metal sheets	U. K.	,,	33 8	32 12	Bombay.
Do.	Germany	,,	33 12	33 0	,,
Brass sheets	..	,,	33 8 to 35 0	31 12 to 32 8	Karachi.
Yellow metal sheets	U. K.	Ton	*683 6	*610 0	Madras.
Do.	Continental	,,	*630 0	*602 5	,,
Brass sheets 1 lb. and over per sq. ft.	U. K.	Lb.	†0 6	†0 5½	Rangoon.
Do.	Germany	,,	†0 4½	†0 4	,,

* C. I. F. Values-Cum-Duty. †Duty paid invoice price.

Brass or yellow metal sheets only have been quoted. There has been a general reduction in prices of both preferential and non-preferential supplies. The decline in the case of the imports from the United Kingdom ranged between 2 to 11 per cent. A similar range of percentage decline was recorded in the case of non-preferential imports mainly of continental origin. This reduction was due to the fact that the manufacturers are said to have allowed a larger discount in order to meet competition. It is clear therefore that the preference has certainly enabled the United Kingdom to reduce her prices and the foreign suppliers in order to maintain their share have also had to reduce their quotations. On the whole, therefore, the consumer has benefited.

(*c*) *Copper, wrought and manufactures of copper, all sorts, not otherwise specified.*

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Copper sheets	U. K.	Cwt.	37 14	38 8	Calcutta.
Do	Germany	,,	37 14	38 8	,,
Do.	U. K.	,,	36 12	36 4	Bombay.
Do.	Germany	,,	36 10	36 2	,,
Do.	..	,,	36 12 to 38 0	37 8 to 39 0	Karachi.
Do.	U. K.	Ton	*833 5	*728 0	Madras.
Do.	Continental	,,	*775 0	*745 5	,,

* C. I. F. Cum-duty-Prices.

Comparative quotations for sheets at Calcutta, Bombay and Madras are only available. The prices at the last two ports recorded a decline in respect of both the United Kingdom and the Continental makes. This was particularly marked in the case of Madras. The prices of British and German sheets at Calcutta which were equal showed on the other hand a rise of 2 per cent. as compared with the preceding year. It has been reported that the reduction in the price of foreign sheets was due to the fact that their continental manufacturers allowed larger discounts to meet competition. If this is true then the consumer has not been at a disadvantage as a result of the preference granted to the United Kingdom.

(d) German silver, including nickel silver.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
German silver wire ..	U. K. ..	Lb. ..	1 0	0 13	Calcutta.
German silver wire ..	Austria ..	,, ..	1 0	0 14	,,

Quotations for wire at Calcutta only are available, and they disclose a general decline in the prices of both British and non-British manufactures. The fall in the case of British manufactures is however greater owing, it is reported, to keen price-cutting carried on by the Imperial Chemical Industries. That preference must have helped British manufactures to cut their prices more than their foreign competitors is very likely. The consumer has reaped the benefit.

(e) Lead wrought and manufactures of lead, all sorts, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Lead tubes	U. K. ..	Cwt. ..	21 0	22 8	Calcutta.
Do.	Belgium ..	,, ..	21 0	22 8	,,

Quotations for lead tubes from Calcutta only are available. The prices quoted for both British and Belgian tubes are the same and show an increase of 7 per cent. in December 1933 as compared with a year ago. The rise in the price of British tubes is said to be due to increased cost of pig lead while Belgian manufacturers are reported to have cut their profits to maintain competition with the British manufacturers. Preference therefore has in no way adversely affected the consumer of this article.

(f) Zinc or spelter or manufactures not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Zinc sheets 8′ × 3′ × 6 holes	U. K. ..	Sheet ..	1 8	1 8	Karachi

No competitive quotations are available under this item, only one quotation of imports of the United Kingdom origin being reported from Karachi. The price of British zinc sheets in Karachi showed a decline of 8 per cent.

No. 197.—Paper including chrome, marble, flint, poster, stationery, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
Ink.			Rs. As.	Rs. As.	
"Swan" 2 oz. bottles ..	U. K. ..	Dozen ..	2 14	2 12	Calcutta.
"Pelican" 2 oz. bottles ..	Germany ..	" ..	4 8	3 8	"
Paste board—					
3 sheets	U. K. ..	Gross ..	5 12	5 12	Bombay.
Do.	Sweden & Germany.	" ..	5 0	4 12	"
4 sheets	U. K. ..	" ..	6 14	6 14	"
Do.	Sweden & Germany.	" ..	5 14	5 12	"
Blotting Paper	Germany ..	Ream ..	9 0	8 0	Karachi.
Do.	U. K. ..	" ..	18 0	17 8	"
Marble Paper	(Foreign) ..	" ..	4 12	4 8	Madras.
Flint	" ..	" ..	9 4	8 12	"
Coloured tissue paper ..	" ..	" ..	3 7	3 2	"
White tissue paper ..	" ..	Ton ..	600 0	560 0	"
Natural brown wrapping paper	" ..	" ..	260 0	260 0	"
Manilla Envelope	U. K. ..	1,000 ..	2 4	2 4	"
Do.	(Foreign) ..	" ..	1 12	1 8	"
Pencils	" ..	Gross ..	3 6	3 6	"
Swan Ink	U. K. ..		2 15	2 11½	"
Erasers	" ..	lb. ..	3 8	3 0	Rangoon.
Do.	U. S. A. ..	" ..	3 8	3 0	"

This is a comprehensive head covering a variety of articles. Most of the articles both preferential and non-preferential show a general tendency to a reduction in price. Out of the nine items for which price has been reported in no case has there been an increase. It appears that the benefit of the reduced duty has been passed on to the consumers by the U. K. suppliers in certain cases. Foreign manufacturers also had to reduce their invoice prices in order to meet competition from the United Kingdom as a result the consumer gained.

No. 198.—Haberdashery and millinery, all sorts, including lace, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Cotton handkerchief—					
"Pyramid"	U. K. ..	Dozen ..	5 12	5 10	Calcutta.
Cotton handkerchief ..	Japan ..	" ..	1 10	1 4	"
Handkerchief	U. K. ..	" ..	1 8	1 8	Bombay.
Do.	Japan ..	" ..	1 4	0 14½	"
Garters—					
"Eclipse"	U. K. ..	" ..	4 0	3 14	"
"1597"	U. S. A. ..	" ..	9 8	9 8	"
Table covers	U. K. ..	Each ..	14 8	12 8	Madras.
Napkins	" ..	Dozen ..	12 8	12 8	"

This is another comprehensive head which includes a very wide range of goods too numerous to mention. Only prices of four different articles have been reported from three ports. There has been no increase in price in any of the items. Japan and the United Kingdom appear to be the main competitors; the prices of the United Kingdom articles do not appear to have fallen to the same extent as those of the Japanese goods have done. The single set of quotations for the United States of America products records no change in price. As there has been keen price-cutting due to competition between the United Kingdom and Japan it can be safely concluded that the consumer has not suffered as a result of the preference to the United Kingdom.

No. 199.—Woollen yarn for weaving and knitting wool.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Wool—					
"Beehive"	U. K. ..	lb. ..	5 3	5 3	Calcutta.
Knitting wool—					
"Flower" brand.. ..	Germany..	Bundle of 14 oz.	4 7	4 8	"
Worsted woollen yarn 2/24 ..	U. K. ..	lb. ..	2 0	1 14	Bombay.
Japanese woollen yarn 2/24 ..	Japan ..	" ..	1 13	2 0	"
Knitting wool—					
King Fisher	U. K. ..	" ..	5 0	4 12	"
Daffodil..	" ..	" ..	2 10	2 8	"
Knitting wool—					
Viyella	" ..	oz. ..	0 8	0 8	Madras.
Do.	Germany..	Bundle ..	2 12	2 8	"
Do.	Japan ..	" ..	2 2	2 0	"
Knitting wool—					
Lantern Zephyr	U. K. ..	Bundle of 1½ lb.	*2 12	*3 3	Rangoon.
Knitting wool—					
Quality 1927	Japan ..	"	*2 8	*2 5	"

*Duty paid invoice price.

Worsted yarn has been quoted at Bombay only and it shows a decline in price of 6 per cent. for imports from the United Kingdom and an increase of 10 per cent. for those from Japan. In knitting wool except for an increase of 16 per cent. recorded at Rangoon the price of British wool was more or less stationary. The prices of the imports from other sources in December 1933 were generally on a very slightly lower level than in the preceding year. This reduction in price was possibly due to some extent to trade depression but a part of it certainly was due to the pressure of competition. The consumer therefore was in no way adversely affected.

No. 200.—Asbestos manufactures, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Asbestos—					
Sheets	U. K.	Sq. ft.	0 4	0 3½	Calcutta.
Do.	Belgium	,,	0 4	0 3½	,,
Do. ⅛"	U. K.	Cwt.	14 8	13 0	Bombay.
Packing	,,	lb.	0 12	0 11	,,
Do.	Japan	,,	0 2¾	0 2¾	,,
Plain asbestos cement sheet	Italy	Sq. ft.	0 2½	0 2½	Karachi.
Corrugated big size sheets	U. K.	,,	0 3	0 3	,,
Asbestos Packing	,,	lb.	0 12	0 12	Madras.
Do.	(Foreign)	,,	0 9	0 12	,,
Asbestos sheets	U. K.	,,	0 12	0 12	,,
Do.	Foreign	,,	0 10	0 11	,,
Asbestos Rope	,,	,,	0 12	0 12	,,
Asbestos Brake lining	U. K.	,,	1 0	0 14	,,
Do.	(Foreign)	,,	0 14	0 14	,,
Asbestos cement corrugated roofing sheet.	U. K.	Sq. ft.	0 4½	0 4	,,
Asbestos packing round ½" to ¾".	,,	lb.	*0 10	*0 8½	Rangoon.
Do.	Germany	,,	*0 9	*0 8	,,
Do.	Japan	,,	*0 3	*0 2	,,

*Duty paid invoice price.

The United Kingdom prices appear to have been well maintained except in certain cases where some reductions have been effected to meet competition from non-preferential sources many of which lowered their c. i. f. values to counteract the higher standard rate of duty. On the whole, however, the prices of the United Kingdom products in December, 1933 were considerably lower than in the previous year although instances of still further reductions in prices of the supplies from non-preferential sources are also on record. As the foreign suppliers have reduced their prices to meet competition it can be safely assumed that the consumer has not been a loser.

No. 201.—Brushes, all sorts.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Butwells Prophylactic tooth brush.	U. K.	Doz.	6 4	6 0	Calcutta.
Perfection	Germany	,,	2 6	2 7	,,
Prophylactic tooth brushes	U. K.	,,	4 8	4 0	Bombay
Myra Tooth Brushes	Germany	,,	4 8	5 2	,,
Paint Brushes Flat 1	U. K.	,,	2 0	1 14	
Paint Brushes Flat I	Germany	,,	1 12	1 11	,,
Varnish Brush 1″	U. K.	,,	2 8	2 8	Karachi.
Do.	Germany	,,	1 14 to 2 0	1 14 to 2 0	,,
Brushes-Paint	U. K.	Box.	0 3½	0 3½	Madras.
Do.	Foreign	,,	0 3½	0 2¾	,,
Brushes-Prophylactic	,,	Doz.	10 14	10 14	,,
Tooth Brushes "Discus" Brand	U. K.	,,	3 8	3 8	Rangoon.
Do. "Cosmos" Brand	*Czecho-slovakia.*	,,	*4 4*	*4 0*	,,
Do. "Lion" Brand	Japan	,,	3 12	3 12	,,

Prices of paint and tooth brushes have alone been quoted. So far as the United Kingdom supplies are concerned, the prices have undergone reductions varying from 4 to 11 per cent. in Calcutta, Bombay and Madras ; while prices in Karachi and Rangoon have remained unchanged. In spite of the increased duty foreign manufacturers have kept down prices in many cases to meet British competition. Only in a few cases have increases been recorded. This competition has therefore helped the consumers in securing the benefit of lower prices. The share of the United Kingdom in the trade was Rs. 4,72,194 or 43 per cent. whereas that of other countries Rs. 6,24,961 or 57 per cent.

No. 202. — Building and engineering materials, all sorts not of iron, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
White Porcelain tiles 6″ × 6″ × ⅜″	U. K.	Doz.	1 10	1 9½	Calcutta.
Do.	Japan	,,	0 14	0 11½	,,
White Glazed Earthen Tiles	U. K.	,,	No imports	1 13	Bombay.
White Glazed Belgian "H"	Belgium	,,	1 8	1 9	,,
White Glazed Japan "Crown"	Japan	,,	0 13½	0 14	,,
White porcelain tiles 6″ × 6″	U. K.	,,	1 10	1 10	Karachi.
Do.	Japan	,,	0 13 to 1 0	0 11 to 0 15	,,
White glazed tiles 6″ × 6″	U. K.	,,	1 10 to 1 12	1 10 to 1 12	Madras.
Do.	Foreign	,,	1 2 to 1 4	1 2 to 1 4	,,
Earthenware tiles glazed 6″ × 3″ × ¼″	U. K.	Hundred	*4 3	*4 3	Rangoon.
Glazed 6″ × 6″ × ¼″	Japan	,,	*3 10	*4 10	,,

*Duty paid invoice price.

Quotations for white and glazed tiles only are available. Prices of imports from the United Kingdom show little or no change as compared with the preceding year. Due to a process of price-cutting among importers there was a decline of 15 per cent. and over in Japanese prices in Karachi and Calcutta. In the other ports prices of non-preferential imports showed increases varying from *nil* to 28 per cent. It is difficult to examine the effects of preference on prices of this item as the price quotations from different ports do not move in the same direction. It is quite clear, however, that as far as Japan was concerned it was following a policy of price cutting in many ports to capture the market and this seems to have benefited the consumer to a certain extent.

No. 203.—Buttons, metal.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. A.	Rs. A.	
Trouser Buttons Our own make	U. K. ..	G. Gross ..	4 8	4 6	Calcutta.
Do.	Czechoslovakia.	9 (Gross)	3 8	3 8	,,
For Coat (Collen's)	U. K. ..	Doz. cards of six buttons.	12 9	9 0	Bombay.
Do. ..	Germany ..	,, ..	8 0	10 0	,,
Links (Crown)	U. K. ..	Doz. ..	3 2	3 2	Karachi.
Do. (Similar qualities) ..	Czechoslovakia.	,,	2 0	2 0	,,
Buttons—metal with chain ..	U. K. ..	Doz. Cards	*5 0	*5 0	Madras.
Do. ..	(Foreign) ..	,, ..	*2 4	*1 12	,,
Metal Buttons Trouser—Tinned	U. K. ..	Great Gross	5 0	5 0	Rangoon.
Do. ..	Czechoslovakia.	,,	4 4	3 8	,,

* C. I. F. cum-duty prices.

The prices of the United Kingdom buttons were stationary in Karachi, Madras, and Rangoon, whereas in Bombay and Calcutta they registered decreases. In the case of foreign makes the only increase noticeable is in the case of buttons from Germany of 25 per cent. Prices of foreign supplies in Calcutta and Karachi remained unchanged whereas in Madras and Rangoon they recorded considerable decreases. It is difficult to come to a conclusion on the effects of preference under this item.

No. 204.—Coir fibre, coir yarn and coir mats and mattings.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. A.	Rs. A.	
Coir Fibre	Ceylon ..	Cwt. ..	5 0	4 12	Bombay.

Only a single quotation for Cyelon coir fibre which enjoys preference is available under this head. There has been a small decline in price by 5 per cent. in the Ceylon consignments and as that decrease has been ascribed to preference the Indian consumer has benefited to that extent. Coir mats and mattings are also imported from Japan but no quotation has been given and no comparison is therefore possible.

No. 205.—Cordage, rope and twine of vegetable fibre other than Jute and Cotton not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. A.	Rs. A.	
Manilla rope	U. K.	Cwt.	30 0	28 0	Karachi.
Do.	Japan	„	23 0	23 0	„
Rope Manilla	(Foreign)	„	33 0	28 0	Madras.
Hemp twine—3 ply	U. K.	Lb.	*0 10	*0 10	Rangoon.
Do.	Italy	„	*0 12	*0 12	„

* Duty paid invoice price.

In Bombay, these articles are imported generally for private use of shipping companies according to their requirements. There is, therefore, no standard of quality for making a comparison and ascertaining their prices.

Prices at Karachi, Madras and Rangoon only are available. Out of the two quotations for the United Kingdom goods, one shows a decline of 7 per cent. while the other is stationary. In the case of ropes of foreign manufactures the prices at Karachi and Rangoon show no variation but that at Madras records a fall of 15 per cent. which is ascribed to general trade depression. It appears from these quotations that the consumer has not been adversely affected.

No. 206.—Cork manufactures, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. A.	Rs. A.	
Cork sheets 36″×12″×1/16″	U. K.	Doz.	..	3 0	Bombay.
Cork sheets 36″×12″×1/16″	Foreign	„	4 0	3 12	„

Quotations for cork sheets at Bombay only are available. Imports of British sheets are reported to have revived because of the preference but as prices at the end of 1932 are not known it is not possible to say whether the consumer has been benefited to any extent. As far as foreign supplies were concerned a decline in price of 6 per cent. has been recorded.

No. 207.—Glue, all sorts, other than clarified liquid glue.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Glue other than clarified liquid glue.	U. K. ..	Cwt. ..	32 0	25 0	Calcutta.
Do. ..	Sweden ..	,, ..	31 8	24 0	,,
British Glue	U. K. ..	,, ..	33 12	33 10	Bombay.
Russian Glue	Russia ..	,, ..	19 10	20 4	,,
Bone Glue	{ Sweden Holland }	,, ..	{ 20 0 21 0 }	20 8	Karachi.
Bone Glue (cased)	U. K. ..	,, ..	97 6	96 2	,,

Due to severe Japanese competition prices at Calcutta of both British and non-British glue declined by over 22 per cent. In Bombay and Karachi on the other hand, the variations were not so striking. Prices of all makes were generally very slightly on the lower side at the two ports, a notable exception being Russian glue which recorded a rise of 3 per cent. On the whole, the consumers do not seem to have much cause to complain on the score of prices. The share of the United Kingdom in the trade was Rs. 96,018 or 18 per cent. whereas that of other countries Rs. 4,38,725 or 82 per cent.

No. 208.—Oil-cloth and floor-cloth.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Flower brand	U. K. ..	Piece of 12 yds.	15 8	14 8	Calcutta.
"Cock" brand	France ..	,, ..	15 8	14 8	,,
Linolium floor-cloth 72″ ..	U. K. ..	Yard ..	1 10	1 6	Bombay.
American floor-cloth 72″ ..	U. S. A. ..	,, ..	2 2	2 2	,,
Oil cloth 50″	U. K. ..	Roll of 12 yds.	16 0	15 4	,,
Oil-cloth 50″	Foreign ..	,, ..	14 8	14 0	,,
Oil-cloth 50″	France ..	,, ..	15 0	15 0	Karachi.
Oil cloth	U. K. ..	Sq. yd. ..	1 0	0 15$\frac{1}{12}$	,,
Oil cloth	U. S. A. ..	..	10 10	14 5	Madras.
Oil cloth 50″	U. K. ..	Roll of 12 yds.	*9 10	*9 10	Rangoon.
Do.	Japan ..	,, ..	*8 10	*5 4	,,

*Duty paid invoice price.

Except in Madras prices at other ports of both preferential and non-preferential articles were either stationary or lower. The declines ranged to 15 per cent. in the case of the United Kingdom and 39 per cent. in the case of Japanese makes. The only exception to the general tendency was the rise in the case of American oil cloth which has been ascribed by the Madras Collector of Customs to the activities of the National Recovery Administration. Generally speaking, the consumers' interests appear to have remained unaffected. The imports from the United Kingdom amounted to Rs. 3,65,023 or 63 per cent. as against Rs. 2,15,635 or 37 per cent. from other sources.

*No. 209.—Packing—engine and boiler—all sorts, not otherwise specified.**

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Asbestos and metallic packing	U. K. ..	Lb. ..	0 11	0 10	Calcutta.
	Japan ..	,, ..	0 5	0 4	
Jute packing	U. K. ..	,, ..	0 12	0 12	Madras.
Do.	Foreign ..	,, ..	0 10	0 10	,,
Engine packing Greasy—*square*—½".	U. K. ..	,, ..	0 14†	0 13†	Rangoon.
Do. ..	Germany..	,, ..	0 4†	0 4†	,,

* In Bombay, there was no quality of packing comparable to that imported from the United Kingdom.

† Duty paid invoice price.

Out of the three quotations for the United Kingdom articles, those in Calcutta and Rangoon registered a decline whereas the quotation in Madras remained unchanged. Reduction of price in Calcutta is ascribed to price-cutting chiefly on account of Japanese competition. As regards foreign quotations the one for Japan in Calcutta shows a decline, whereas prices of foreign supplies in other ports have remained unchanged. In Bombay there is no foreign quality comparable to that imported from the United Kingdom. It is difficult to examine the effect of preference on the consumer though the price-cutting in Calcutta and the reduction in Rangoon must have benefited him. The share of the United Kingdom in the trade was Rs. 2,65,011 or 93 per cent. whereas that of other countries Rs. 21,286 or 7 per cent.

No. 210.—Rubber tyres and tubes and other manufactures of rubber, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Cab. tyring—					
(Dunlop)	U. K. ..	Lb. ..	0 10	0 9	Calcutta.
(Continental)	Germany..	,, ..	0 12	0 11	,,
Rubber Hot-water bottles 12"×8".	U. K. ..	Piece ..	4 0	3 8	Bombay.
Do. ..	Germany..	,, ..	2 12	3 8	,,
Dunlop 32 × 6 pneumatic giant high pressure motor bus and lorry tyre.	U. K. ..	Each ..	120 2	97 0 till 26-12-33 92-3 from 26-12-33.	Karachi.
Michelin 30×5 U type tyre Motor bus and lorry.	France ..	Each ..	86 9	70 0 till 26-12-33 66 7 after 26-12-33	,,
Cab. tyre (Dunlop)	U. K. ..	Foot ..	0 9	0 9	,,
Rubber tyres	Do. ..	Each ..	27 4	23 4	Madras.
Do.	Foreign ..	,, ..	27 4	23 4	,,
Motor lorry tyres—					
Dunlop—40"×8" ..	U. K. ..	Each ..	309 0	302 0	Rangoon.
Michelin—40"×8" ..	France	,, ..	355 4	302 0	,,

The market in respect of many of the principal items coming under this head is controlled by "rings" and local trade practices. In Bombay, for instance, this had the effect of keeping the prices of tyres and tubes uniform for supplies from all sources. Despite these restrictions prices of many of the makes both preferential and otherwise appear on the whole to have declined. The extent of decline varied from port to port and also between article and article. The only exception to the general decline was the price for German hot-water bottles which rose by as much as 27 per cent. The presence of these "rings" and agreements make it difficult to judge the effects of preference. The share of the United Kingdom under this head was Rs. 1,16,22,597 or 62 per cent. and that of other countries Rs. 71,35,998 or 38 per cent.

No. 211.—Toilet requisites, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. A.	Rs. A.	
Face powder—					
Yardley's ..	.. U. K. ..	Doz. ..	12 4	11 8	Calcutta.
Houbigant ..	.. Foreign ..	,, ..	19 4	20 4	,,
Vinolia antiseptic shaving sticks.	U. K. ..	,, ..	3 6	3 4	Bombay.
William's shaving sticks	.. U. S. A. ..	,, ..	7 14	8 8	,,
Astra shaving sticks	.. Germany ..	,, ..	6 4	6 15	,,
Mclean's tooth paste	.. U. K. ..	Doz. tubes	6 4	5 12	,,
Euthymol tooth paste	.. ,, ..	,, ..	6 1	6 0	,,
Kolynos tooth paste	.. U. S. A. ..	,, ..	9 0	7 0	,,
Pepsodent tooth paste	.. Germany ..	,, ..	14 12	13 8	,,
Menta tooth paste ..	.. ,, ..	,, ..	4 10	4 13⅞	,,
Colgate's Dental cream	.. U. S. A. ..	,, ..	6 0	6 2	,,
Scubbs Ammonia toilet	.. U. K. ..	Doz. ..	11 10	11 4	Karachi.
Vinolia Toilet, small powder violet.	,, ..	,, ..	3 6	3 6	,,
Atkinsons Hair oil, 4 oz.	.. ,, ..	,, ..	10 8	9 12	,,
4711 Cold Cream ..	.. Germany ..	,, ..	11 4	11 12	,,
Toilet Rose powder	.. U. K. ..	Gross tins	30 0	29 0	Madras.
Cuticura Talcum Powder	.. U. S. A. ..	,, ..	*108 5⅛	*112 10⅜	,,
Toilet Powder—					
"Cherry Blossom"	.. U. K. ..	Doz. 4 oz. tin.	3 12	3 8	Rangoon.
"Diamond" brand	.. Japan ..	,, ..	3 8	4 0	,,

* C. I. F. Cum duty.

The varieties of articles which are included in this head are too numerous to enumerate. Judging from the classes of articles for which quotations are available it appears that the prices of supplies from the United Kingdom as a whole have declined. The rates for foreign goods, however, show a rise in some cases. Competition from the United Kingdom has led to a fall in price in the case of some foreign articles. The demand for many of these articles is specialised and it is difficult to trace the effect of preference on their prices. The United Kingdom sent goods valued at Rs. 22,15,333 or 39 per cent. whereas other countries sent Rs. 34,46,141 or 61 per cent.

No. 212.—Umbrellas including parasols and sunshades and fittings thereof.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Umbrella ribs—					
26" solid fleaus ..	U. K. ..	Doz. sets	2 12	2 8	Calcutta.
Do.	Japan ..	,, ..	1 10	1 8	,,
Umbrella, common quality ..	U. K. ..	Doz. ..	*45 0	*41 0	Bombay.
Umbrella	Japan ..	,, ..	*11 8	*8 8	,,
,, ...	,, ..	— ..	1 8	1 6	Madras.
Fluted ribs—					
Set of 8	U. K. ..	Doz. ..	3 5†	3 5†	Rangoon.
Do	Japan ..	,, ..	2 0†	2 0†	,,

* Relates to July, as the season for umbrellas ends in that month.

† Duty paid invoice price.

The competition in this line appears to be mainly between the United Kingdom and Japan. As the season for umbrellas closes in July the quotations relate to that month for both 1932 and 1933. Prices of British made umbrellas show a decline of 9 per cent. whereas the decrease has been 26 per cent. in the case of Japanese goods. Thus in spite of the preference Japan has considerably under-cut the United Kingdom. The variation in the prices of fittings such as umbrella ribs, etc., was not so striking. No fluctuation was recorded in the prices at Rangoon of both Japanese and English made ribs, whereas only a comparatively small decline of 8 to 9 per cent. was recorded at Calcutta. From these figures it appears that the preference has in no way adversely affected the consumer. On the contrary he has got his supplies much cheaper. The share of the United Kingdom under this item amounts to Rs. 66,493 or 15 per cent. as against Rs. 3,58,194 or 85 per cent. from foreign countries.

CLASS II.—INCREASE IN SPECIFIC DUTY OR DIFFERENT INCREASES AND DECREASES IN DUTY.

No. 213.—Confectionery.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. A.	Rs. A.	
Milk chocolate—Cadbury's ½ lb. slab.	U. K. ..	Doz. ..	4 12	4 4	Calcutta.
"Prugina" ½ lb. slab ..	Italy ..	,, ..	4 8	4 12	,,
Cadbury's Selected	U. K. ..	lb. ..	2 1	1 14	Bombay.
Nestle's Selected	Foreign ..	,, ..	2 2	2 2	,,
Peakfreans—Meltis—Family ..	U. K. ..	Packet ..	0 8	0 7	Madras.
Peakfreans Nut Milk ..	,, ..	,, ..	0 9	0 8	,,
Cadbury's Treasure Assortment	,, ..	lb. ..	2 4	1 12	,,
Cadbury's—Jewel	,, ..	,, ..	2 14	2 10	,,
Cadbury's Milk chocolate ..	,, ..	,, ..	2 12	2 8	,,
Pascals sweets in jars ..	,, ..	large bottle	1 8	1 4	,,
Chocolate—Cadbury's assorted	U. K. ..	Doz. ½ lb. tin.	10 6	9 6	Rangoon.
Nestles assorted	France ..	,, ..	5 15	6 5	,,

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In this case preference was given to the United Kingdom by lowering the old rate of duty by 10 per cent. in her favour while the standard rate remained at the old level. Out of a dozen quotations received from four principal ports three-fourths relate to the United Kingdom and the remainder to foreign countries. It will be seen from the table that the prices quoted for the produce of the United Kingdom are consistently lower than what they were in December 1932, the extent of the fall ranging between 9 to 17 per cent. As for the prices of non-British manufactures they recorded no change in one case and an increase of 6 per cent. in the other two. It is clear that the United Kingdom was enabled to reduce her prices on account of preference and to that extent the consumer gained but he had to pay more for foreign supplies in one or two cases. No definite conclusion, however, can be drawn. The imports from the United Kingdom under this item amounted to Rs. 14,70,774 or 85 per cent. as compared with imports from other countries which amounted to Rs. 2,78,662 or 15 per cent.

No. 214.—Fish-salted, dry.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. AS.	Rs. AS.	
Dry, Salted Fish (in baskets of 4 to 5 cwts.).	Straits Settlement.	Cwt. ..	27 8	22 8	Rangoon.

This item is liable to specific duty. The rate in December 1932 was 12¾ annas per cwt. *plus* 6¼ per cent. *ad valorem* and this has been changed to a consolidated rate of Re. 1/8 per cwt. for colonial imports and of Rs. 3/8 for others. No comparative quotations are available for this item. The solitary quotation received from Rangoon refers to the imports from the Straits Settlements, the price of which shows a decline by Rs. 5 per cwt. But as no preference is reported to have been allowed on the bulk of the imports from the Straits, this decline cannot be connected with the changes in tariff.

No. 215.—Ale and Beer.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. AS.	Rs. AS.	
Tennent's	U. K. ..	Case of 48 qts.	33 0	33 0	Calcutta.
Beck's	Germany ..	" ..	35 12	33 12	"
Tennent's Beer	U. K. ..	Case of 4 Doz. qts.	38 0	38 0	Bombay.
Beck's Beer	Germany ..	" ..	39 8	41 0	"
Allsopp's Lager Beer ..	U. K. ..	" ..	39 12	39 12	"
Falcon Beer	Holland ..	" ..	38 0	38 0	"
Barclay's Lager Beer ..	U. K. ..	" ..	38 8	38 0	"
L. H. B. Beer	Holland ..	" ..	33 0	35 0	"
'S' Brand Beer	" ..	" ..	31 0	32 0	"
Bass's Ale	U. K. ..	" ..	48 0	48 0	"
Tennent's Cased Beer ..	U. K. ..	4 Doz. qts.	32 8	32 0	Karachi.
Beck's Cased Beer	Germany ..	" ..	36 8	36 8	"
In bottles—Allsopp's Lager Beer.	U. K. ..	Case of 4 Doz. quart bottles.	34 0	34 0	Madras.

Description.	Country or origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. as.	Rs. as.	
Macewan's red label sparkling Beer.	U. K.	Case of 4 Doz. quart bottles.	26 12	26 12	Madras.
Tennent's light Pilsner Beer	,, ..	,,	34 0	34 0	,,
" Joan " Brand English Beer	,, ..	,, ..	22 0	20 0	,,
Whiteheads London Pale Ale	,,	,, ..	33 0	33 0	,,
Holsten Pilsner German Beer	Germany ..	,, ..	25 0	26 8	,,
Amstel Beer	Foreign ..	,, ..	28 0	28 0	,,
Hall's Beer	,, ..	,, ..	25 0	26 8	,,
Beck's Beer	Germany ..	,, ..	37 0	37 0	,,
In bulk—Geo. S. Younger's Ale	U. K. ..	H'hd ..	122 8	119 10	,,
Macewan's Edinburgh Ale ..	,, ..	,, ..	125 0	121 0	,,
Scotch Ale	,, ..	,, ..	100 0	97 0	,,
Beer—Allsopp's—" Pilsner "	,, ..	Case of 48 quarts.	35 0	34 4	Rangoon.
Beer—Beck's—" Key " Brand	Germany ..	,, ..	37 8	34 8	,,
Beer—" Asahi " Brand ..	Japan ..	,, ..	18 0	18 0	,,

These are liable to a specific duty. The old rate has been decreased in the case of the United Kingdom and increase against foreign countries. The decrease in favour of the U. K. for bulk quantities was 1 anna and $1\frac{1}{3}$ as. per Imperial gallon while the increase against other countries was 3 as. and 4 as. per Imperial gallon. So far as the effect of the increased duty on the market prices is concerned the position is described by the Collector of Customs, Madras. His remarks are reproduced below :—

> " It will be noticed that with the exception of Ale in bulk which is largely and almost exclusively imported from the U. K., the Ottawa changes in duty have not reacted on the market price of Beer of U. K. or foreign origin to any great extent in spite of additional advantage that U. K. had over most other countries in the matter of exchange. This is due to the fact that the competing countries were determined at all costs to retain their market by absorbing the loss in the exchange and also on account of additional duties ; while dealers like Spencer's and McDowells who imported both kinds offset the loss sustained, if any, in the case of foreign beer, against beer of U. K. origin by maintaining the same price level throughout for both."

It will be seen from this quotation that the consumer did not have to pay more for his foreign supplies and to this extent he was in no way adversely affected. As far as the United Kingdom was concerned there has been very little change in prices apart from a few cases in which there has been a decline. On the whole, the consumer's position seems to have remained unaffected. Imports from the United Kingdom amounted to Rs. 41,47,301 or 64 per cent. against Rs. 23,50,961 or 36 per cent. from other countries.

No. 216.—Spirits.

(1) Bitters.

(2) Drugs and Medicines containing spirit.

(3) Perfumed spirits.

(4) Rum.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
(1) Bitters.							
Augostura Bitter	British West Indies.	Case of 2 doz. pints.	54	0	48	0	Bombay.
Orange Bitter	United Kingdom.	Do. ..	42	0	42	0	Do.
Peach Bitter	Do. ..	Do. ..	51	0	51	0	Do.
Bitter—Orange Sir R. Burnetts	Do. ..	Doz. Quart bottle.	76	8	73	0	Rangoon.
Bitter—Angostura Dr. Siegarts	Trinidad	Case of 24 pints.	87	0	87	0	Do.
(2) Drugs and medicines containing spirits.							
Wincarnis	United Kingdom.	Doz. pints	28	0	28	8	Calcutta.
Quina La Roche	Foreign	Do. ..	30	0	27	0	Do.
Extract glycyrrhizac liq. (Burgoyne Burbidges & Co.).	United Kingdom.	Lb. ..	2	0	1	14	Bombay.
Extract glycyrrhizac (C. R. Harhen Stagg and Morgan Ltd.)	Do. ..	Do. ..	1	4	1	2	Do.
Extract glycyrrhizac liq. (Gehe & Co.)	Germany	Do. ..	1	2	1	4	Do.
Cazcara Evacuants (Parke Davis & Co.).	United Kingdom.	Do. ..	6	3	6	0	Do.
Elixis No. 126 Aletris (Parke Davis & Co.).	Do. ..	Do. ..	4	4½	4	4½	Do.
Wood Ward's Gripe water	Do. ..	Doz. ..	11	12	10	14	Do.
Aletris Cordial	U. S. A. ..	Doz. 8 oz. bottle.	37	0	38	8	Do.
Listerine	Do. ..	Doz. 14 oz. bottle.	34	0	36	0	Do.
Pertussin	Germany ..	Doz. ..	22	0	22	0	Do.
Clarks Blood mixture ..	United Kingdom.	Doz. ..	24	8	24	8	Karachi.
Owbrige's Lung tonic ..	Do. ..	Do. ..	7	10	7	10	Do.
Burgoynes Iodised Sarsaparilla	Do. ..	Do. ..	9	8	9	2	Do.
Wood Ward's Gripe water ..	Do. ..	Doz. 4 oz.	11	12	11	4	Do.
Pertussin	Germany ..	Doz. ..	22	0	22	0	Do.
Extract Ergotaz liq. B. P. (May & Baker). ..	United Kingdom.	Lb. ..	4	1	4	0	Madras.
Extract Ergotaz liq. B. P. (Evans).	Do. ..	Do. ..	4	0	3	8	Do.
Extract Ergotaz liq. B. P. (Byk)	Foreign ..	Do. ..	3	12	4	0	Do.
Iodised Sarsaparilla (Burgoyne) (large).	U. K. ..	Doz. bottles.	17	8	16	12	Do.
Iodised Sarsaparilla (Burgoyne) (small).	Do. ..	Do. ..	10	8	9	10	Do.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Deschien's Hepathens ..	Foreign ..	Doz. bottles	52	0	55	0	Madras.
Hepatiz 402 (Evans) ..	U. K. ..	Each ..	10	8	9	2	Do.
Wincarnis (Quart bottle) ..	U. K. ..	Doz. ..	52	0	50	12	Rangoon.
Saravello's Tonic (17 oz. bottle)	Italy ..	Doz. ..	30	8	30	8	Do.
(3) *Perfumed spirits.*							
Yardley's "Eau-de-Cologne"	U. K. ..	Doz. 4 oz. bottle.	21	4	21	4	Calcutta.
Roger and Gallets	France ..	Do. ..	30	0	31	8	Do.
Californian poppy	U. K. ..	Doz. 1 oz. bottle.	20	0	18	0	Bombay.
Himalaya Bouquet ..	Do. ..	Do. ..	18	0	17	8	Do.
Pompeia	France ..	Doz. ½ oz. bottle.	23	6	25	0	Do.
Eau-de-Cologne	Germany ..	Doz. 2 oz. bottle.	16	8	20	0	Do.
Do.	Do. ..	Doz. 4 oz. bottle.	29	0	33	0	Do.
Yardley—Eau-de-Cologne 4 oz.	U. K. ..	Doz. ..	27	8	25	4	Karachi.
Muken—4711 Eau-de-Cologne 4 oz.	Germany	Doz. ..	32	8	34	8	Do.
4711. Eau-de-Cologne ..	Foreign ..	Doz. 4 oz. bottle.	32	8	32	8	Madras.
Do.	Do. ..	Doz. 2 oz.	20	0	20	0	Do.
Do.	Do. ..	Doz. 1 oz.	10	0	10	0	Do.
Eau-de-Cologne Johanne Maria Farina.	Do. ..	Doz. 4 oz.	28	8	28	8	Do.
Do.	Do. ..	Doz. 2 oz.	18	0	18	0	Do.
Lavender Water Mitchan ..	U. K. ..	Doz. 1 oz.	13	8	12	8	Do.
Do.	Do. ..	Doz. 2 oz.	20	0	19	0	Do.
Lavender Water, Yardley's ..	Do. ..	Doz. 1 oz.	14	0	13	0	Do.
Do.	Do. ..	Doz. 2 oz.	23	0	22	0	Do.
Lavender water George Dralle	Foreign ..	Doz. 2 oz.	18	0	18	0	Do.
Grossmitter—'Hasu-no-Hanna'	U. K. ..	Doz. 1-1/8 oz.	18	8	18	8	Rangoon.
Pinand's—Eau-de-Cologne	France ..	Doz. 4 oz. bottle.	35	8	36	0	Do.
(4) *Rum.*							
Jamaica Rum (Henry White & Co.)	U. K. ..	Doz. Qts.	103	0	98	0	Bombay.
Jamaica Rum (John Crabbie & Co.)	Do. ..	Do. ..	84	0	84	0	Do.
Rum—Bardinett's Rhune Negrita (Quart bottle).	France ..	Dozen ..	90	0	84	0	Rangoon.

(1) *Bitters.*—Preference in this article extends only to the British Colonies which has been secured to them by lowering the old duty of Rs. 37-8* per proof gallon by Rs. 3-12 in their favour. Bitters of British West

* This rate refers to bitters not entered in such a manner as to indicate that the strength is not to be tested.

Indian origin which are entitled to preference varied in price from *nil* to a decline of 11 per cent. while those of the United Kingdom origin declined from *nil* to 5 per cent. So far as the consumers are concerned, however, they do not seem to have been particularly adversely affected.

(2) *Drugs and medicines containing spirit.*—The specific duty on these articles which was Rs. 27-5½ to Rs. 37-8 per Imperial gallon was revised to Rs. 26 to Rs. 36 for the United Kingdom and Colonial imports, and to Rs. 29 to Rs. 40 for other imports. The medicines that come under this head are mostly proprietary. Prices of many of the brands have shown a lower tendency, while there are instances on record in which there has not only been a rise in the prices of the non-preferential imports but in those of preferential supplies also. It may be noted that the demand for patent medicines is not particularly sensitive to changes in prices. As a result preference is not likely to affect prices in any pronounced manner. It is difficult therefore to estimate the effect of preference on the consumers in the case of these articles.

(3) *Perfumed spirits.*—The burden of the duty on the United Kingdom imports has been reduced by Rs. 7-8 per gallon, while that on the imports from other sources remains at the old level. The prices of perfumery of the United Kingdom manufacture have either continued unchanged or have registered a fall ranging up to 10 per cent. Perfumery of Continental origin, on the other hand, did not show any variation in prices in a few cases but in a majority of others there was an increase which ranged up to 21 per cent. On the whole, therefore the consumer has been benefited to some extent in the case of perferential supplies but in others he was, more or less, in a disadvantageous position. This, however, is a luxury article and the competition between the various makes is not so keen.

(4) *Rums.*—The produce of the Colonies enjoys a preference of Rs. 3–12 as. per gallon over other imports which pay the same rate of duty as before. It is difficult to estimate the effect of the preference from the available data as the prices of Jamaican rums imported *via* the United Kingdom have continued unchanged in one case and registered a decline of 5 per cent. in another while French rum recorded a slightly greater decline in Rangoon.

No. 217.—Unground spices, namely, cardamoms, cassia, cinnamon, cloves, nutmegs and pepper.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Cloves	.. Zanzibar	Cwt. ..	54 0	46 0	Bombay
Cloves	.. Madagascar	„ ..	52 0	44 0	„
Cloves	.. Zanzibar	lb. ..	0 2½	0 2¼	Madras.
Nutmegs—in shell ..	.. Straits Settlements.	„ ..	0 4½	0 3½	Rangoon.

The British colonies have been allowed preference by maintaining the old rate of duty unchanged in their favour and raising the same against other countries by 7½ per cent. Out of four sets of quotations received from three ports, three relate to cloves and the other to nutmegs. Bombay alone gives prices of competitive grades of Zanzibar and Madagascar cloves both of which have fallen by 15 per cent. The other two quotations also registered a decline. From this it can be seen that the consumer has benefited by the decrease in prices from both preferential and non-preferential sources.

No. 218—Unground spices, namely, chillies, ginger and mace.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Re. As.	Re. As.	
Mace (in cases)	Straits Settlements.	lb. ..	0 14	0 14¾	Rangoon.

Preference has been granted to British Colonies by a reduction in the old rate of duty in their favour by 2½ per cent. and increasing the same in the case of other countries by 5 per cent. Only a single set of quotations at Rangoon for mace imported from the Straits Settlements is available. The prices shows an advance almost equal to the rise in the non-preferential duty. This is probably explained by the fact that no preference was allowed on bulk of the shipments from the Straits.

No. 219.—Tea.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Re. As.	Re. As.	
Black Tea common quality ..	Ceylon ..	lb. ..	0 9	0 13½	Karachi.
Green Tea common quality ..	Japan ..	„ ..	1 0	0 14	„
Tea—Black	Straits Settlements.	„ ..	0 11½	0 10	Rangoon.
Do.	China ..	„ ..	0 11½	0 10	„

In December 1932 tea was assessed to duty at 25 per cent. *ad valorem* on a fixed tariff valuation of 11 annas a pound for black tea and of 13 annas for green thus giving an incidence of 2¾ annas and 3¼ annas, per lb. respectively. The new rates of duty that came into effect from the 1st of January 1933 raised the duty on black and green tea coming from the Colonies to 3 annas whereas the duty on supplies from foreign countries was raised to 5 annas per lb. Quotations at Karachi and Rangoon only are available. At the latter port no preference was allowed to imports from the Straits Settlements and the prices thereof as also of Chinese black tea moved uniformly and recorded a decline of 1½ annas per lb. In Karachi, the rate for Japanese green tea was lower by 2 annas whereas Ceylon black tea showed a rise by as much as 4½ annas. It is not possible to draw any conclusion as regards the effect of preference on prices from the data available.

No. 222.—Mineral oil which has a flashing point at or above 200° F. by Abel's close test and is such as is not ordinarily used for any other purpose than lubrication.

Description.	Country of origin.	Rate per	Market prices. December 1932. Rs.	as.	Market prices. December 1933. Rs.	as.	At
Wakefields A. A. Castrol ..	U. K. ..	1 gallon tin ..	3	½	3	½	Calcutta.
Mobiloil	U. S. A. ..	,, ..	3	5	3	5	,,
Spindle	Foreign ..	Gallon ..	0	13	0	13½	Madras.
Ginning	,, ..	,, ..	0	13	0	13½	,,
Motor	U. K. ..	,, ..	1	2	1	1	,,
,, ...	Foreign ..	,, ..	1	0	1	½	,,
Cylinder	,, ..	,, ..	1	10	1	9½	,,
Lubricating oil—"Castrol XL."	U. K. ..	,, ..	3	15	3	15	Rangoon.
"Gargoyle" "Mobil" "B"	U. S. A. ..	,, ..	4	7	4	1	,,
Motor oils—							
In 1 gallon tins ..	U. K. ..	Imp. Gal.	5 to 5	0 to 12	4 to 5	12 to 8	Bombay.
,, ,, ,, ..	U. S. A. ..	,, ..	3 to 5	1 to 5	3 to 5	4 to 8	,,
In bulk	U. K. ..	,, ..	2 to 3	12 to 8	2 to 3	8 to 4	,,
,,	U. S. A.	,, ..	2 to 3	13 to 1	3 to 3	0 to 4	,,
Cylinder oils	U. K. ..	,, ..	1 to 3	9 to 14	1 to 3	7 to 14	,,
,,	U. S. A. ..	,, ..	1 to 4	9 to 10	1 to 4	9 to 5	,,
Axle oils	U. K. ..	,, ..	1 to 1	8 to 12	1 to 1	4 to 8	,,
,,	U. S. A. ..	,, ..	1 to 1	4 to 8	1 to 1	4 to 8	,,
Engine oils	U. K. ..	,, ..	2 to 2	8 to 10	2 to 2	4 to 8	,,
,,	U. S. A. ..	,, ..	1 to 3	10 to 12	1 to 2	6 to 6	,,

The duty on this head was reduced in January 1933, by 1 *a.* 7 *p.* in the case of the United Kingdom and increased by 5 *p.* from 2 *as.* 1 *p.* in regard to other countries. The principal competitors in the field of lubricants are the United Kingdom and the United States of America. So keen is the competition that both the suppliers have reduced their prices. The consumer has benefited by the decrease in duty.

No. 223.—The following vegetable oils, viz., coconut oil, linseed oil, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	as.	Rs.	as.	
Coconut oil	Ceylon ..	Cwt.	12	6	14	0	Madras.
Linseed oil	U. K. ..	Impl. Gal.	2 6 to 2 12		2 12 to 3 0		„
Linseed oil	„ ..	„ ..	2	12	2	14	Bombay.
Coconut oil (in 5 cwt. drum)..	Ceylon ..	Cwt. ..	20	0	16	8	Rangoon.

Preference was secured to the Colonies by maintaining the duty in their favour at the old level and raising the same against others by 10 per cent. Quotations for linseed and coconut oils are only available. The higher duty payable by the United Kingdom was reflected in the higher price of linseed oil imported from that country. But the position of the Ceylon coconut oil appears to be somewhat obscure as the price thereof has increased by 13 per cent. in one case and decreased to an equal extent in another. The effect of preference on the consumer cannot be determined from the available data.

No. 224.—Vegetable non-essential oils, not otherwise specified.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	as.	Rs.	as.	
Castor Oil	—	Candy of 500 lbs.	64	0	51 0 to 52 0		Madras.
Castor Oil	France ..	Impl. Gal... Tin.	3	2	3	10	Bombay.
Castor Oil in 2 oz. bottles ..	U. K. ..	Dozen ..	3	4	3	2	„
Castor Oil in 8 oz. bottles ..	„ ..	„ ..	7	8	7	2	„
„ „ „ „ ..	France ..	„ ..	7	0	8	8	„
Castor Oil in 10 oz. bottles ..	U. K. ..	„ ..	8	8	8	0	„
„ „ „ „ ..	France ..	„ ..	7	12	10	0	„

The old rate of duty has been kept unchanged in favour of the United Kingdom and the Colonial imports but raised by 10 per cent. against others. This head includes all sorts of vegetable non-essential oils other than coconut oil, linseed oil and groundnut oil. Quotations for French and British made castor oil at Bombay are only available. The price of the imports from the United Kingdom show a small decline by 4 to 6 per cent. while that of the French supplies appear to have gone up by 16 to 29 per cent. It will be seen that the price of French supplies has increased by more than the rise in duty and was probably due to factors other than the increased duty. In the case of the United Kingdom some part of the preference in her favour was passed on to the consumer. It is difficult, however, to arrive at a definite conclusion from the prices quoted from one port only.

No. 225.—Boots and shoes composed mainly of leather.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	as.	Rs.	as.	
"Lotus" Brand ..	.. U. K. ..	Pair ..	*16	8	*15	0	Calcutta.
"Bata"	.. Czechoslovakia.	,, ..	*9	15	*9	15	,,
"Cable" Brown Oxos	.. U. K. ..	,, ..	12	8	11	0	Bombay.
"Bata" similar quality	.. Czechoslovakia.	,, ..	9	15	8	15	,,
Boots and Shoes	.. U. K.	,, ..	25	12	24	8	Madras.
,, ,,	.. (Foreign)..	,, ..	10	0	8	0	,,
,, ,,	.. U. K. ..		15	8	14	8	,,
Shoes—"Sazone" Brand—size 8.	U. K. ..	,, ..	*19	8	*22	8	Rangoon.

* Retail Price.

The specific duty of 5 annas leviable on a pair of boots and shoes has not been changed but preference has been accorded to the United Kingdom by lowering the alternative *ad valorem* duty from 25 per cent. to 20 per cent. and raising the same against other countries to 30 per cent. The preference was therefore allowed on footwear with a value of over Rs. 1-4-0 per pair. Comparative quotations from Calcutta, Bombay and Madras, are available and due to competition they show a general decline in prices of all makes ranging from 6 to 12 per cent. in the United Kingdom goods and from *nil* to 20 per cent. in others. Rangoon, on the other hand, reports a rise of 15 per cent. in the retail prices of a British brand of shoes. This is probably due to a lack of any serious competition in that market as the bulk of imports into Burma consists of a very cheap quality consigned from the Far East. On the whole, therefore, consumers have not suffered as a result of the preference.

No. 226.—Cartridge cases, filled and empty.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. as.	Rs. as.	
"Paragon" Smokeless ..	United Kingdom.	100 ..	12 8	12 0	Calcutta.
Smokeless	Germany ..	100 ..	10 3	10 13	,,
Empty Cartridge cases—					
Eley's (I. C. I.) 12B. ..	United Kingdom.	100 ..	5 0	4 8	Bombay
Empty Cartridge cases Belgian Diana	Belgium ..	100 ..	4 0	3 8	,,
Eley's smokeless and Diamond 12B loaded.	United Kingdom.	100 ..	10 8	10 2	,,
American Victor loaded 12B.	United States of America.	100 ..	9 0	10 0 up to May. 8 8 June onward.	,,
Cartridges	United Kingdom.	1,000 ..	107 8 to 110 0	102 8	Karachi.
Do.	Belgium ..	1,000 ..	95 0	85 0	,,
Cartridges cases filled ..	United Kingdom.	100 ..	12 0	11 8	Madras.
Do.	Belgium ..	100 ..	10 8	10 8	,,

Preference has been allowed to the United Kingdom by lowering the old rate of duty in her favour by 10 per cent. and retaining it unchanged against other countries. The prices of filled cartridges of British manufacture have fallen without exception, the extent of the fall varying from 4 to 10 per cent. It is reported that this fall was not a result of a reduction in the c. i. f. price but was due to the fact that the benefit of the preferential duty was passed on to the consumer. As for the foreign makes, Belgium appears to have reduced her prices to keep up the competition. The prices of American supplies were rising till the middle of 1933 but since then due to the depreciation of dollar prices declined considerably. The German cartridges, on the other hand, were definitely more costly than a year ago. Prices of empty cartridges are available only from Bombay and the price of both the United Kingdom and the Belgian cases were distinctly lower. The Belgian makers are said to have effected a reduction of 10 per cent. in their selling rates. From these prices it is clear that except in the case of Germany the consumer has in

no way been adversely affected by the preference. The share of the various countries in the imports under this head were as follows :—

No. 227.—Firearms, including gas and airguns, etc.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1932.	At
			Rs. As.	Rs. As.	
Revolvers, Webley and Scott MR. III.	United Kingdom.	Each ..	*95 0	100 0	Calcutta.
Browning automatic 25 Bore..	Belgium ..	,, ..	60 0	60 0	,,
W. J. Jeffrey's Special gun with hammer.	United Kingdom.	Piece ..	148 0	135 0	Bombay.
"Geco"	Germany ..	,, ..	95 0	96 0	,,
Gun Midland D. B. B. L. Hammerless.	United Kingdom.	Each ..	125 0	130 0	Karachi.
Gun Belgian	Belgium ..	,, ..	55 0	65 0	,,
12 Bore,—D.B.B.L. Hammer	United Kingdom.	,, ..	†65 4	†66 0	Rangoon.
Do. ..	Germany ..	,, ..	†27 5	*26 13	,,

*Retail price.
†Duty paid invoice price.

The specific duty of Rs. 18-12-0 has remained unchanged but the additional *ad valorem* duty of 12½ per cent. has been taken away in the case of the United Kingdom and reduced to 10 per cent. in the other cases. The alternative *ad valorem* duty of 50 per cent. has also been reduced by 10 per cent. in favour of the United Kingdom, the old rate being maintained against other countries. The prices of British firearms were, on the whole, higher than what they were in December 1932. Bombay, however, proved an exception to this as she recorded a fall of 9 per cent. in the price of Jeffrey's special gun with hammer. As for the foreign makes except in the case of certain brands of guns from Belgium they appear to have kept up their prices practically unchanged by reducing their invoice price by about 10 per cent. It is difficult, however, in this case to judge the effect of preference on prices especially as changes in demand seem to be responsible for raising prices.

No. 228.—The following chemicals, viz., *cadmium sulphide, cobalt oxide, selenium, uranium oxide and zinc oxide.*

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Zinc oxide	United Kingdom.	Cwt. ..	30 0	30 0	Calcutta.
Do.	Germany ..	,, ..	20 0	20 13¼	,,
Do.	United Kingdom.	112×1 lb. packet.	52 0	45 0	Karachi.
Zinc oxide (M. & B.) ..	Do. ..	1 lb. packets.	0 8	0 8	Madras.
Do.	Do. ..	Do.	0 6	0 6	,,
Zinc oxide	Do. ..	1 cwt. cask.	*22 0	*28 12	Rangoon.
Do.	Sweden ..	,, ..	*15 3	*15 11	,,
Zinc oxide, 1 lb. packet ..	United Kingdom.	Cwt. ..	50 0	45 0	,,
Do.	Japan ..	,, ..	28 0	25 0	

*Duty-paid invoice price.

Preference has been accorded to the United Kingdom and the Colonies in respect of these articles, which are largely imported for glass-making, by a reduction of 10 per cent. in the old rate of duty in their favour and maintaining the same unchanged against other countries. Prices of zinc oxide have alone been quoted. They appear to have remained practically constant for both preferential and non-preferential qualities at Calcutta and Madras. Karachi has quoted for the United Kingdom product only and shows a fall of 13 per cent. In Bombay prices of Japanese zinc oxide have also fallen by nearly 10 per cent. in common with that of the imports from the United Kingdom. This was due chiefly to competition. On the whole therefore prices have been reduced in favour of the consumer.

No. 229.—Motor-cars, including taxicabs and articles, etc.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs.	Rs.	
Hillman Family Saloon "Minx"	United Kingdom.	Each ..	3,850	3,650	Calcutta.
Chrysler Plymouth 6 cl. Sedan	United States of America.	" ..	5,700	3,775	"
Morris Minor Tourer ..	United Kingdom.	" ..	2,440	2,390	Bombay.
Morris Ten Tourer	Do. ..	" ..	3,595	3,420	"
Morris Cowley 4 Saloon ..	Do. ..	" ..	4,225	4,025	"
Morris Oxford 6 Saloon ..	Do. ..	" ..	5,850	5,545	"
Pongnet Ten Saloon ..	France ..	" ..	4,250	4,250	"
Pongnet Eleven Saloon ..	" ..	" ..	4,750	4,750	"
Motor Cars (Hillman) ..	United Kingdom.	" ..	3,800	3,600	Madras.
Do. (Fiat)	Italy ..	" ..	3,700	3,700	"

The United Kingdom has received a preference of 7½ per cent. by a reduction in the old rate of duty by that amount while that on the imports from other countries remained unchanged at 37½ per cent. Only certain makes of cars have been quoted. So far as the British made cars are concerned the prices have come down by about 5 per cent. in almost all cases. The foreign makes, on the other hand, recorded no change except in the case of the Chrysler Plymouth from the United States which showed a fall of as much as 34 per cent. due chiefly to the depreciation of the dollar. It seems from the table that the consumer has certainly benefited to some extent by the lowering of the price of English motor-cars.

No. 230.—Motor omnibuses, chassis of motor omnibuses, etc.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs.	Rs.	
"Commer" 1½ ton truck ..	United Kingdom.	Each ..	4,500	3,950	Calcutta.
Ford 1½ ton truck 131½ W. B. Canada.	Canada ..	" ..	2,910	2,995	"

The preference of 7½ per cent. was secured to the United Kingdom by a reduction in the old rate of duty in her favour by that amount and by maintaining the same unaltered at 25 per cent. against others. Quotations from Calcutta only are available. The reduction in duty combined with reduction in the c. i. f. price enabled British trucks to be sold at a price about 12 per cent. lower than in December 1932. The price of Canadian trucks, on the other hand, recorded a small rise of 3 per cent. This is explained by the fact that the importers raised their prices slightly in December 1933 to cover the losses sustained by them due to unfavourable exchange a year ago when they did not increase their prices.

No. 231—Cutlery, plated.

The non-preferential duty remained unchanged at the old level while the imports from the United Kingdom were admitted at a rate which was lower by 10%. The imports of this item are comparatively small and suitable quotations are not available. The principal article from the United Kingdom that enters Bombay is Mappin and Webb's plated knives for which there is no comparable quality from other sources.

No. 232.—Electric lighting bulbs.

Descriptions.	Country of origin.	Rate per	Market prices. December. 1932.		Market prices. December. 1933.		At
			Rs.	As.	Rs.	As.	
"Crompton" 220 V. 40/60 Watts, Vac.	United Kingdom.	Doz. ..	11	0	10	8	Calcutta.
"Swan"	Netherlands	" ..	5	0	5	8	"
K. Y. E. 15/60 Watts V. 220/230 Volts.	United Kingdom.	Doz. ..	9	$12\frac{11}{12}$	9	$3\frac{1}{4}$	Karachi
National 5/60 Watts V. 230 Volts.	Netherlands	" ..	6	0	4	10	"
Electric bulbs Vacuum ..	United Kingdom.	Doz. ..	12	4	10 to 11	4 to 0	Madras.
Do.	Netherlands	" ..	13	8	12	0	"
Do.	Australia ..	" ..	6	4	5	0	"
Do.	Japan ..	" ..	2	4	1	8	"
Gas filled Bulb.							
"Osram" 230V.—40W. ..	United Kingdom.	Doz. ..	14	2	12	3	Rangoon.
"Splendor" 230 V.—40 W. ..	Austria ..	" ..	10	4	9	8	"
Clear, vacuum, Pear shape, 220 V. 5/60 c.p.	United Kingdom (crompton).	Doz. ..	8	14	8	13	Bombay.
Do.	Netherlands	" ..	6	4	5	12	"
Do.	Austria ..	" ..	6	2	5	8	"
Do.	Japan ..	" ..	2	4	1	9	"
"Gasfilled, 40 Watts. ..	United Kingdom.	" ..	11	10	9	10	"
Do.	Netherlands	" ..	8	0	8	4	"
Do.	Austria ..	" ..	8	4	8	0	"
Do.	Japan ..	" ..	3	8	3	4	"

The original rate of duty has been reduced from 50 to 40 per cent. in favour of the United Kingdom.

The British made bulbs appear to have all declined in prices up to 17 per cent. To meet competition the foreign bulbs also showed a lower tendency, although in certain cases of Dutch makes the rates recorded an increase. As however, most of the superior quality bulbs are said to be in the "ring" which is common to the United Kingdom and foreign goods preference has not affected the prices of the United Kingdom bulbs. In view of this it is difficult to say how far preference affected the consumer but *prima facie* it appears that the reduction in prices all round must have helped him to a certain extent.

No. 232A—Gold or gold-plated pen-nibs.

Descriptions.	Country of origin.	Rate per	Market prices. December. 1932.	Market prices. December. 1933.	At
			Rs. As.	Rs. As.	
Gold-plated—"Black bird".	United Kingdom.	Each ..	*2 8	*2 8	Rangoon.
"Parkers" Nib	United States of America.	,, ..	*5 0	*5 0	,,

* Retail price.

Preference was granted to the United Kingdom by lowering the old rate of duty from 50 to 40 per cent. in her case. On imports from foreign countries the duty remained at 50 per cent. Retail prices at Rangoon only are available. The prices quoted have shown no variation either for the United Kingdom or the American gold-plated nibs.

No. 233.—Musical instruments and parts thereof, all sorts, not otherwise specified.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Gram needles	United Kingdom.	1,000 ..	1 5	1 4	Calcutta.
Do.	Germany ..	,, ..	0 14	0 13	,,
Pianos-Allison's	United Kingdom.	Each ..	1,475 0	1,375 0	Bombay.
Broadwood's (upright Grand)	Do. ..	,, ..	1,450 0	1,375 0	,,
Miendorf Hor ground ..	Germany ..	,, ..	3,250 0	3,500 0	,,
Bluthour Up-ground ..	Do. ..	,, ..	4,250 0	4,500 0	,,
Jutelate Brass Harmonium Reeds.	Do. ..	Set of 3 octaves.	2 12	2 9	Karachi.
H.M.V. Gramophone No. 30 oak finish.	United Kingdom.	Each ..	185 0	185 0	,,
Talking Machines	Do. ..	Each ..	90 0	90 0	Madras.
Do.	Germany ..	,, ..	50 0	50 0	,,
Do.	Japan ..	,, ..	24 0	20 0	,,
Cornet-Brass	United Kingdom.	,, ..	*72 8	*65 12	Rangoon.
Do.	France ..	,, ..	*64 8	*64 8	,,

* Retail price.

The old rate of duty remained unchanged on foreign supplies at 50 per cent. whereas preference was granted to the United Kingdom by lowering the duty by 10 per cent. in her favour to 40 per cent. The classes of instruments quoted vary from port to port and as a result the trend of prices is different. In Calcutta prices of German gramophone needles have been reduced along with those for British makes, the manufacturers of the former bearing the loss. In Bombay, English pianos which appear to be cheaper than the German pianos sold at a lower price than in December 1932 while in the case of the latter there was an increase in prices. Retail prices of English brass cornets at Rangoon recorded a fall of 9 per cent. but that of French origin showed no change. The rates for talking machines at Karachi and Madras were unchanged except for Japanese machines which fell off by 17 per cent. In the case of articles like this where the demand is particular and specialised it is difficult to examine the effects of preference on prices. On the whole, however, it appears that the consumer was not adversely affected.

No. 234.—*Wireless reception instruments and apparatus and component parts, etc.*

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
3. Valve rec. set—" G. E. C."	United Kingdom.	Each ..	375	0	292		Calcutta.
Philips	Netherlands	..	195	0	177		,,
Mc. Michael 4V. Std. ..	United Kingdom.	Piece ..	450	0	425		Bombay.
Pye 6 Valves	,,	,, ..	540	0	450	0	,,
Loewe 3 Valves	Foreign ..	Each ..	150	0	200	0	,,
Lumophone WL 43 ..	,, ..	,, ..	240	0	240	0	,,
Radio Valves—for receiving ..	United .. Kingdom.	,, ..	*5	0	*3	11	Rangoon.
Do. ..	Holland ..	,, ..	*4	5½	*3	5½	,,

*Duty paid invoice price.

The standard rate of duty remained unchanged at 50 per cent Preference was granted to the United Kingdom by reducing the duty in her favour to 40 per cent. Due to keen Continental and Japanese competition the United Kingdom manufacturers were compelled to reduce prices of complete sets of apparatus by 6 to 22 per cent. In the foreign makes the variation in prices ranged from a decline of 9 per cent. in Calcutta to an increase of 33 per cent. in Bombay. The prices of radio valves at Rangoon for both preferential and non-preferential supplies showed a decline of about 25 per cent. As competition has been keen the preference must have been to a large extent, passed on to the consumer. The share of the United Kingdom in the trade was Rs. 5,71,971 or 56 per cent. whereas that of other countries was Rs. 4,41,570 or 44 per cent.

No. 235.—*Iron alloys, etc.*

The duty on this head has been reduced to 10 per cent. for the United Kingdom imports and increased to 20 per cent. for others. The rate of duty in December 1932 was 15-5/8%. Several items of iron manufactures are included under this head ; quotations for two items only are however available.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Iron bar & rod (N. O. S.) Superior to grade A.	U. K.	Cwt.	22 0	21 0	Calcutta.
Do.	Sweden	„	19 0	20 0	„
Iron Rice Bowls—assorted	U. K.	„	*12 8	*12 8	Rangoon.
Do.	Japan	„	*9 0	*9 4	Rangoon.

*Duty paid invoice price.

(*a*) *Iron bar and rod not otherwise specified.*—Due to preferential duty prices of the United Kingdom supplies have been reduced by 5 per cent., while those of Swedish goods rose by an equal extent.

(*b*) *Iron rice bowls.*—Prices of bowls of the United Kingdom origin continued unchanged but those for Japanese origin showed a slight rise.

No. 236.—*Iron or steel, etc.*

Description.		Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
				Rs. As.	Rs. As.	
Anchor and cables—						
Steel rail anchors		U. K.	Piece	0 13½	0 11¾	Calcutta.
Do.		Germany	Piece	0 12¼	0 12¼	„
Hoops & strips—						
Iron and steel hoops 1×16g		U. K.	Cwt.	7 8	7 10	„
Do.		Germany	do.	7 2	7 6	„
Steel Bating Hoops B		U. K.	Ton	No import	147 8	Bombay.
Do.	W. I. W.	do.	do.	do.	152 8	„
Do.	Poppy	Foreign	do.	140 0	150 0	„
Do.	B. arrow	U. K.	Cwt.	7 8	7 14	Karachi.
Do.	Alliance	Belgium	do.	7 0	7 14	„
Iron and steel Hoops 1″×1/8″		Foreign	Ton	125 0	115 0	Madras.
Nails and washers n. o. s.—						
Steel rose nail		U. K.	Cwt.	13 8	12 0	Calcutta.
		Sweden	do.	15 0	13 4	„

No. 236.—*Iron or steel, etc.*—contd.

Description.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Bullock nails	Foreign	Cwt.	49 8	48 0	Madras.
Washers	U. K.	do.	11 4	10 0	,,
Do.	Continental	do.	10 0	9 8	,,
Iron nail "deck head" Scottish.	U. K.	do.	*10 12	*10 0	Rangoon.
Iron nail "deck head" S. S. Brand.	Sweden	do.	*11 12	*10 12	,,
Pipe and tubes, etc.					
Steel tubes Block gas 1″	U. K.	ft.	0 3 1/6	0 2 2/3	Calcutta.
Do.	Germany	do.	0 2 3/4	0 2 7/12	,,
Steel pipes gas 1″ quality	U. K.	100 ft.	20 0	17 4	Karachi.
Do.	Germany	do.	18 0	18 0	,,
Sluice valves, 2″	U. K.	Each	22 8	21 8	,,
Do. 6″	do.	do.	60 0	52 0	,,
Pipes, 1″ diameter	do.	foot	0 2 3/5	0 3	,,
Do.	Foreign	do.	0 2 2/3	0 2 3/4	,,
			As. P.	As. P.	
Iron pipes, galvanized ½″	do.	Linear ft.	1 9 3/4	1 8	Bombay.
Do. do. 1″	do.	do.	3 1	2 10	,,
Do. do. 2″	do.	do.	7 4	6 9	,,
Do. Black ½″	do.	do.	1 6	1 4	,,
Do. do. 1″	do.	do.	2 4½	2 2	,,
Do. do. 2″	do.	do.	5 6	5 0½	,,
Barred or stranded fencing wire and wire rope:			Rs. As.	Rs. As.	
Steel wire rope 6×19×¾″ diam. crucible basic.	U. K.	Cwt.	32 0	31 0	Calcutta.
Do.	Germany	do.	30 0	32 0	,,
Barbed wire	U. K.	do.	12 0	11 9	Madras.
Do.	Foreign	do.	10 8	9 11	,,
Expanded metal.					
Steel expanded metal	U. K.	Sq. ft.	0 1-10/12	0 1½	Calcutta.
Do.	Germany	do.	0 1-3/4	No imports	,,
Expanded metal No. 2-3/8″ mesh 3/32×18 gauge	U. K.	do.	0 1-11/12	0 1-5/12	Karachi.
Steel expanded metal 3/4″×1/8″×1/8″.	Foreign	do.	2 3	2 1	Bombay.
Steel cut tacks Clyde ½″	U. K.	112 × 1 lb. per cwt.	16 8	17 8	Karachi.
Steel cut tacks square ½″	Belgium	do.	24 0	22 8	,,

*Duty paid invoice price.

This is an omnibus head which includes a large variety of manufactures of iron or steel mostly dissimilar to each other in character. The rate of duty in December, 1932 was 15-5/8 per cent. The rate was reduced to 10 per cent. in the case of the United Kingdom imports but was raised to 20 per cent. in the case of imports from other countries. An analysis of the movements of prices of some of the items for which market quotations are available is given below :—

(*a*) *Anchors and cables.*—Only Calcutta prices of steel rail anchor of British and German origin are quoted. The price of the former registered a fall of 13 per cent. while that of the latter rose by 2 per cent. It appears therefore that preference enabled British prices to be reduced.

(*b*) *Hoops and strips.*—Taking advantage of the preference imports of British hoops appear to have revived again. The prices of both preferential and non-preferential qualities have however shown a general advance which was more marked in the case of the latter than in that of the former. An exception to this was provided by Madras where foreign hoops sold cheaper in December, 1933 by 8 per cent., as compared with a year ago. On the whole, it appears that the preference probably led to a certain increase in prices of non-preferential supplies and to that extent the consumer was at a disadvantage.

(*c*) *Nails and washers, not otherwise specified.*—There has been an all-round reduction in the prices of these articles from all sources. This has been due to a combination of factors the principal of which are keen Japanese competition, larger discount offered by Continental makers to counteract both Japanese competition and British preference. As a result of these the Indian consumer has naturally profited.

(*d*) *Pipes and tubes, etc.*—Except in a few cases prices of pipes and tubes of all origins have been, on the whole, lower in December, 1933 than a year ago. This appears to have been possibly due to the existence of an understanding between the British and the Continental manufacturers to send out goods on a quota basis and adjust the trade discounts in the invoices in such a manner that the difference of 10 per cent. preference is absorbed and ultimately the Indian seller has to sell the British pipes at a price 3 to 5 per cent. higher than the Continental pipes because of the former's established qualities. It appears therefore that this understanding has adversely affected the consumer slightly who has not been able to secure the benefit of the preference on the United Kingdom supplies.

(*e*) *Barbed or stranded fencing wire and wire rope.*—Quotations for steel wire rope at Calcutta and for barbed wire at Madras are only available. The price of British wire rope recorded a fall of 3 per cent. while that for the German rope advanced by 7 per cent. This is possibly a direct effect of the preferential tariff. In the case of barbed wire, the price of both the United Kingdom as well as foreign supplies declined. The extent of decline in the latter case has been greater than in the case of former due to keen Japanese competition. This competition has been helpful to the consumer.

(*f*) *Expanded metal.*—There has been a general reduction in prices of all makes. The British manufacturers assisted by the preference appear to have

succeeded in practically stopping imports of Belgian and other Continental expanded metal into India. As this has been secured by a reduction in price he consumer has gained.

(*g*) *Steel cut tacks.*—Only quotations from Karachi are available. The price of imports from the United Kingdom was raised by six per cent., whereas those from Belgium have recorded a fall in price of an equal magnitude. The position seems to be an unusual one for which no explanation is forthcoming.

*No. 237.—Steel, angle and tees, if galvanised, etc.**

Description.	Country of origin.	Rate per.	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. As.	Rs. As.	
Iron and steel—					
Stainless steel sheets	U. K.	Lb.	0 14	0 12	Calcutta.
Do.	Germany	,,	0 14	0 14	,,
Steel angle or tees—					
Steel angle "galvanised"	U. K.	Ton	†185 0	†175 0	Rangoon.
Do.	Belgium	,,	†150 0	†150 0	,,
Steel bar and rod—					
Steel bar (Round)	Foreign	,,	95 0	105 0	Madras.
Steel bar (Squares)	,,	,,	97 0	110 0	,,
Steel bar and rod of Alloy steel H. S. 18%—					
Tungsten	U. K.	Lb.	1 14	1 13½	Calcutta.
Do.	Austria	,,	1 10½	1 10½	,,
Steel bar and rod of tub-steel	U. K.	Cwt.	13 0	12 8	Karachi.
Steel bar and rod of Bright steel shafting	,,	,,	11 4	10 5	Calcutta.
Do.	Belgium	,,	9 0	9 8	,,
Steel bar and rod not over 7/16″ diameter—					
Steel rounds not over 7/16″	U. K.	,,	7 9	7 3	,,
Do.	Belgium	,,	4 8	5 4	,,
Round 3/16″ in diamater	Continent	,,	4 11	5 3	Karachi.
Steel bar and rod not over 7/16″ side—					
Square 3/16″ in side	,,	,,	5 8	6 0	,,

*The articles coming into Bombay from the U. K. under this head are made to British Standard Specifications and ordered against contracts by railways, Public bodies, etc. There can, therefore, be no comparison between these and those which come from the Continent and are of common merchant qualities.

†Duty paid invoice price.

This is another omnibus head in which a number of steel manufactures have been put together. Preference has been granted to the United Kingdom by reducing the rate of duty from 15-5/8 per cent. in December, 1932 to 10 per cent. whereas it has been raised to 20 per cent. in the case of supplies from other countries. Some of the main items for which market rates have been quoted are considered below :—

(*a*) *Stainless steel sheets.*—Prices in Calcutta only are given. German manufacturers reduced their invoice prices so as to maintain them at the original level inspite of the increased duty. The United Kingdom supplies were cheaper by 14 per cent. The consumer therefore has been in no way adversely affected.

(*b*) *Steel angle or tees.*—A single set of quotation giving duty paid invoice price at Rangoon of galvanised steel angles is only available. A direct effect of the preference has been a decline in the price of the United Kingdom manufacture by 6 per cent. that of the Belgian supply remaining unchanged. The purchaser of British angles has been benefited to some extent.

(*c*) *Steel bar and rod.*—Due to invoicing in stable currencies favourable to exporters the prices of round and square steel bars of foreign origin, which alone have been quoted from Madras, registered an increase of over 10 per cent.

(*d*) *Steel bar and rod of an alloy.*—The prices at Calcutta of Austrian tungsten steel bars were stationary but those from the United Kingdom showed a small decline. The price of Austrian supplies remained unchanged because manufacturers slightly reduced their invoice prices to make up for the higher duty.

(*e*) *Steel bar and rod of tub steel.*—Prices at Karachi of tub steel of the United Kingdom manufacture are only available and it shows a small reduction of 4 per cent.

(*f*) *Steel bar and rod of bright steel shafting.*—As a direct result of the grant of preference the United Kingdom product sold cheaper in Calcutta by 8 per cent. while the price of the Belgian supplies was dearer by 6 per cent.

(*g*) *Steel bar and rod not over 7/16" diameter.*—In this item also there was a reduction of 5 per cent. in the prices of British rods. The Continental makes registered an advance varying from 11 to 17 per cent.

(*h*) *Steel bar and rod not over 7/16" side.*—Only a single quotation at Karachi for Continental quality is available which registered a rise of 9 per cent. in price.

Taking all the sub-items, as a whole, the preferential duty appears to have reduced the prices of the United Kingdom manufactures and raised those for the Continental makes by a considerable margin except in a few cases where the manufacturer himself bore the higher duty. Bombay's imports of these articles consisted mostly of qualities made to British standard specifications against contracts by railways, public bodies, etc. As such, no comparable quotations for this port were forthcoming.

No. 238—Woollen carpets, floor rugs, hosiery, etc.

Description.	Country of origin.	Rate per.	Market price. December 1932.	Market price. December 1933.	A·
			Rs. as.	Rs. as.	
Woollen Serge	United Kingdom.	Yd ..	*4 4	*4 4	Calcutta.
Woollen Serge	Italy ..	,, ..	*5 5	*5 9	,,
British Axminster-27″ ..	United Kingdom.	,, ..	6 10	6 10	Bombay.
Similar Non-British qualities ..	Foreign	,, ..	3 8	3 4	,,
Kashmere	United Kingdom.	,, ..	3 2	3 0	Karachi.
Do.	Italy ..	,, ..	2 5	2 2	,,
Serge	United Kingdom.	,, ..	3 4	3 4	
Do.	Italy ..	,, ..	2 6	2 6	
Shawls 50″ × 100″	Foreign ..	Each ..	5 0	4 10	Madras.
Shawls Embroidered 48″×96″	,, ..	,, ..	5 5	5 2	,,
Woollen Piece-goods Tweed-56″	United Kingdom.	Yd. ..	†5 4	†5 4	Rangoon.
Do. ..	Italy ..	,, ..	†5 4	†5 4	,,

* Cum duty landed cost. † Retail price.

Preference was granted to the United Kingdom by retaining the rate of duty unchanged at 25 per cent. on imports from that country whereas the rate was raised to 35 per cent. on imports from other countries. The prices of British woollens have shown little variation while those of foreign manufactures moved very irregularly, the fluctuations in the case of the latter ranging between an increase of 5 per cent. and a decline of 9 per cent. It is not clear how the preference affected the consumer in this case.

No. 240—Cinematograph films, not exposed.

Descriptions.	Country of origin.	Rate per	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. as.	Rs. as.	
(Neg.) 16 M. M.	United Kingdom	Reel 100 ft. length.	10 14	10 4	Calcutta.
Reversible 16 M. M. Pan-chromatic.	Foreign	,, ..	17 4	17 4	,,
Cinematograph films Raw nagative.	United Kingdom.	Roll of 400 ft.	*49 15	*45 6	Rangoon.
Do. ..	Belgium ..	,, ..	*44 13	*42 0	

* Retail Price.

The standard rate of duty was left unchanged at 25 per cent. whereas the rate was reduced to 15 per cent. in the case of films imported from the United Kingdom. Quotations at Calcutta and Rangoon are only available. The Calcutta prices show a small decline for films of British origin while no change is recorded for those of foreign origin. Rangoon, on the other hand, shows a reduction of about 5 per cent. in the case of both preferential and non-preferential imports Imports from the United Kingdom amounted to Rs. 3,08,437 or 20 per cent. whereas those from other countries amounted to Rs. 12,11,318 or 80 per cent.

No. 241—Portland cement excluding white Portland cement.

Description.	Country of origin.	Rate per.	Market prices. December 1932.	Market prices. December 1933.	At
			Rs. as.	Rs. as.	
Portland Cement	United Kingdom.	Cask of 375 lbs.	10 0	10 0	Calcutta.
Do.	Japan ..	„ ..	5 6	6 6	„
Gillinghum's Hand Brand ..	United Kingdom.	„ ..	10 12	9 8	Bombay.
Japanese Cement	Japan ..	„ ..	7 0	6 4	„
Gillinghum's Hand Brand ..	United Kingdom.	Bag of 1 Cwt.	..	2 6	„
Japanese Cement	Japan ..	„ ..	1 12	1 12	„
Ferrocrete Cement ..	United Kingdom.	Cask of 375 lbs.	13 8	13 8	Karachi.
Assano Portland Cement ..	Japan ..	Ton of 20 bags.	38 0	40 0	„
Portland Cement	United .. Kingdom.	Cask	10 6	9 8	Madras.
Do.	Foreign ..	„	9 0	9 0	„
Portland Cement not white—"Hand" Brand.	United Kingdom.	Cask of 375 lb.	11 12	11 4	Rangoon.
"Asano" Brand	Japan ..	„ „	5 6	6 6	„

This item is subject to a specific duty which remained unchanged in the case of the United Kingdom but was increased by Rs. 4-8-0 to Rs. 18-4-0 per ton in the case of other countries. The chief competitors in this line are Japan and the United Kingdom. The market prices for the latter were in general steady with a downward trend, prices in some cases recording a decrease up to 12 per cent. Except in Bombay prices of the Japanese brands, on the other hand, were higher than the low level of the preceding year by as much as 19 per cent. By a reduction in the *c. i. f.* prices Continental cements managed to sell in Madras at their former level of prices. It is clear that the United Kingdom passed on a certain proportion of the preference in her favour to the consumers and to that extent the consumers profited.

No. 242—Soap, toilet.

Description.	Country of origin.	Rate per.	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Vinolia Turkish Bath ..	United Kingdom.	Gross cakes	19 4	17 8	Calcutta.
Colgate Turkish Bath ..	U. S. A. ..	„ „	19 8	19 8	„
Yardley Bath Soap Assorted ..	United Kingdom.	Doz. cakes	5 4	5 2	Karachi.
4711 Soap Eau-De-Cologne ..	Germany ..	„ „	5 0	5 10	„
Pears Soap	United Kingdom.	„ „	3 13¾	3 13¾	„
Toilet Soap	„	Case. „	30 6	30 6	Madras.
Cuticura Soap	U. S. A. ..	„ „	27 8	27 0	„
Do.	France ..	„ „	*23 12	*23 12	„
Pears Soap—in boxes of three (4 oz.) cakes.	United Kingdom.	Doz. „	11 8	11 8	Rangoon.
"Neko" Brand Soap—2 oz. cakes.	U. S. A. ..	„ „	8 0 less 10%	8 0 less 10%	„
Glycerine soaps—Pear's .	United Kingdom.	Gross Tablets	46 0	45 12	Bombay.
Do. Malatine ..	Germany ..	„ „	39 8	40 6	„
Turkish bath soaps—					
Hazellhurst	United Kingdom.	„ „	14 8	14 8	„
Do. Colgate's ..	U. S. A. ..	„ „	19 2	20 8	„
Do.	Japan ..	„ „	10 0	7 0	„

* C. I. F. Cum duty prices.

The old rate of duty was left unchanged at 25 per cent. in the case of the United Kingdom whereas it was raised by 10 per cent. to 35 per cent. in the case of other countries. The price of the United Kingdom soaps were more or less constant with a slight tendency towards fall. Owing to intense competition the prices of the Continental and the American makes also showed very little increases in comparison with the increase in duty. Japan, however, reduced her prices considerably. On the whole, therefore, the consumers' position has remained unaffected. The share of the United Kingdom in the trade was Rs. 23,77,847 or 74 per cent. whereas that of other countries Rs. 8,19,252 or 26 per cent.

No. 243—Smokers' requisites excluding tobacco and matches.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Smoking pipes—					
Peterson's ..	.. U. K. ..	Piece ..	3 12	3 8	Bombay
French and Italian	.. France & Italy ..	„ ..	1 4	1 8	„

Preference was granted to the United Kingdom by reducing the rate of duty from 50 per cent. to 40 per cent. in her case. Quotations for smoking pipes have only been furnished from Bombay. The British made pipes fell in price by 7 per cent., whereas the French and Italian qualities registered an increase of 20 per cent. This item represents an article of luxury however for which the demand is particular and specialised. The increase of price in the case of foreign supplies cannot be a result of preference as the duty remained unchanged in the case of non-preferential imports. The reduction of duty on imports from the United Kingdom was of course responsible for reducing the price of United Kingdom articles. The share of the United Kingdom in this trade was Rs. 1,24,583 or 30 per cent. whereas the share of the other countries was Rs. 2,93,949 or 70 per cent.

No. 244—Toys, games, playing cards, etc.

Description.	Country of origin.	Rate per	Market prices. December 1932.		Market prices. December 1933.		At
			Rs.	As.	Rs.	As.	
Playing cards—(Federation 575)	U. K.	Gross	34	0	31	0	Calcutta.
Playing cards—"Jumbo" No. 5	Belgium	,,	26	4	21	4	,,
Slazenger's Hard court Tennis balls	U. K.	Doz.	12	8	11	8	Bombay.
Spalding's Tennis Racket "Tournament" frame only	,,	Piece	22	0	18	0	,,
Slazenger's Tennis balls	,,	Doz.	13	4	11	4	Karachi.
Playing cards 575	,,	,,	3	1	2	12	,,
Playing cards Jumbo	Belgium	,,	2	0	1	12	,,
Playing cards	U. K.	Gross	*32	0	*30	0	Madras.
Do.	Foreign	,,	*19	0	*13	8	,,
Tennis Racquet Gut medium quality.	U. K.	Set	†12	8	†12	4	Rangoon.
Do. do.	Germany	,,	†12	8	†12	8	,,

* C. I. F-Cum-duty prices.
† Retail price.

The rate of duty on imports of the United Kingdom origin was reduced to 40 per cent. the duties on goods from other countries remaining unchanged at 50 per cent. There is a very keen competition in the articles under this head not only among the various imported makes but also with the growing Indian manufactures. The result of this competition combined with the preference has been an all-round fall in the prices of imports from all sources. The only exception recorded refers to the retail price of German tennis racquet gut at Rangoon which showed no variation. It is reported from Bombay that imports of American, German and French goods have practically died out owing to the preferences. The reduction in price must certainly have benefited the consumer.

No. 245—Betelnuts.

Description.	Country of origin.	Rate per	Market prices. December 1932.	December 1933.	At
			Rs. As.	Rs. As.	
Betelnuts—					
Split and sliced ..	.. ..	Cwt. ..	19 8	17 3	Madras.
Raw split ..	.. Ceylon ..	„ ..	31 8	30 0	Rangoon.
Do. ..	.. Straits Settlements.	„ ..	15 0	11 8	„

Preference was granted to the British Colonies by increasing the standard rate of duty by 7½ per cent. to 45 per cent. against imports from foreign countries, the preferential rate remaining at 37½ per cent. The imports are mostly from the Straits Settlements and Ceylon.

The prices of betelnuts from both the sources recorded a general decline by 5 per cent. to 23 per cent. The greater fall was registered in respect of the imports from the Straits but as no preference is reported to have been allowed on the consignments from the latter source the reason for the decline must be due to causes other than the changed tariff. It is difficult therefore to measure the effect of preference on prices from the available data.

CHAPTER IV.

Representations by Indian Industries against the operation of the Ottawa Preferences.

The only industry in respect of which it has been claimed that the Ottawa preferences have been prejudicial to Indian interests is the aluminium utensil manufacturing industry. While the Tariff Amending Bill, which embodied the Ottawa preferences, was still under consideration, a representation (*vide* Appendix VIII) was received from a group of Bombay manufacturers and shortly after the Bill became law a Calcutta firm, Jamnadas Brothers, made a further representation against the grant of preferences (*vide* Appendix IX). The Bombay group in December 1933 again asked for the removal of the concession (*vide* Appendix X).

2. In order to get the problem in its proper perspective it is desirable to set out the circumstances of the aluminium utensil manufacturing industry in India before the grant of the Ottawa preferences. The following account is based on the enquiries and reports of the Director General of Commercial Intelligence and Statistics and the Director of Industries, Bombay.

3. The possibilities of the aluminium manufacturing industry in India was first realised by Indian firms who, it is claimed, only a few years ago controlled 85 per cent. of the Indian output. Supplies of the raw material of the industry, namely aluminium sheets and circles, were obtained from two main sources (*a*) from America (and Canada) and (*b*) from the European Cartel which was a combination of the aluminium producing interests in the United Kingdom, France, Switzerland and Germany. The suppliers of raw material, however, came to recognise the value of the Indian market for the manufactured product and there accordingly came into existence two manufacturing companies registered in India (1) Jewanlal (1929) Limited which was controlled by the American-Canadian interests and (2) the Aluminium Manufacturing Company which is controlled by the British Aluminium Company Limited and is represented in Western India by the Wolverhampton Aluminium Company. When these new companies came into existence, the industry was unorganised and in 1930 an attempt was made to get the existing Indian-owned companies in Bombay to come to an arrangement which would eliminate wasteful competition and uneconomic price cutting. It was proposed that business should be divided on the following basis assuming a monthly consumption of 1,050 cases :—

Name of firm.	Monthly quota.	Percentage quota.
	Cases.	Per cent.
Anant Shivaji Aluminium Co. ..	.. 240	22½
Lallubhai Aminchand ..	.. 200	19¾
Wolverhampton Aluminium Co.	.. 145	15
Pitambardas Lalabhai & Co. ..	.. 45	3½
Nazir Ali Walabhai & Co. ..	.. 50	4¾
Popular Metal Works ..	.. 105	7
Jiwanlal (India), Ltd. ..	.. 265	27½

This distribution gave Indian factories 57½ per cent. against the 42½ per cent. for the new comers. The negotiations, however, broke down and cut-throat competition continued as before.

4. Towards the end of 1930 negotiations were again begun and a conference was held in Bombay at which the British Aluminium Company, Jeewanlal, Anant Shivaji, Lallubhai Aminchand, the Popular Metal Works, Pitambardas Lalabhai and Nazir Ali Walabhai were represented. The following distribution represented the nearest approach to an agreement :—

	Per cent.
Anant Shivaji & Co.	25½
Jeewanlal, Limited	25
Lallubhai Aminchand	21½
Wolverhampton Aluminium Co.	14
Popular Metal Works	7
Nazir Ali Walabhai	4
Pitambardas Lalabhai	3

These proportions gave Indian firms 61 per cent. of the business as against 39 per cent. to the Canadian and British interests, but final agreement on this division could not be reached. Although the two chief Indian factories were in favour of the agreement they were reluctant to come in on the ground that the abstinence from the pool of the other three Indian factories would again result in price cutting and disastrous competition.

5. Prior to this later conference the Calcutta Manufacturers' Association consisting of the Aluminium Manufacturing Company, Jeewanlal (1929), and the Lattoo Aluminium Works (an Indian firm which subsequently withdrew from the Association) attempted to organise the Calcutta aluminium dealers and it appears from a letter dated 18th February 1932 that in this connection they were at loggerheads with Jamnadas Brothers of Calcutta which firm has strongly protested against the Ottawa preferences.

6. The gravamen of Jamnadas's charge against the British and American companies is that they are in a position to obtain their supplies of raw materials from their parent companies at preferential or uneconomic rates and that by selling their manufactured products at correspondingly uneconomic rates or by the grant of secret rebates they are crushing the Indian manufacturers out of existence. The disagreement of Jamnadas with the Calcutta Manufacturers' Association dates from long before the Ottawa Agreement and whatever may be the merits or demerits of the actions of the outside companies they have no relation to the Ottawa preferences. It is true that Jamnadas Brothers in their letter of 18th February 1932 allege that the Lattoo Aluminium Works of Calcutta has ceased to work because of the Ottawa preference, but there is every reason to believe that that company was in financial difficulties which in any case would have entailed its closure. It is most improbable that the Ottawa preferences could have brought about the collapse of the firm in so short a period as a month to six weeks after their inception.

7. The case against the aluminium preference is to be sought therefore in the representation made on behalf of the Bombay group of manufacturers in December 1932 and in the later representation of that group dated 2nd December 1933. The former representation consisted in a pamphlet entitled "Menace of Imperial Preference to Indian Aluminium and Utensils Industry" which was no doubt seen by all members of the Legislature when the Ottawa preferences were under consideration in December 1932. The pamphlet traces the history of the aluminium utensil manufacturing industry in India and emphasises the difficulties of the Indian manufacturer in the face of competition from the British and American factories in India. It also protests against a policy of preferences which would raise the price of raw material of industry and it expresses the apprehensions of the Indian industry that the preference on aluminium will strengthen the hold which the outside interests are acquiring over the industry in India. In their letter of 2nd December 1933, Messrs. Lallubhai Aminchand, Anant Shivaji and Pitambardas Lalabhai again press for the removal of the preference on aluminium. When that letter was written the preference had been in operation for about a year and it may be regarded as containing the statement of the case against the preference in the light of the experience of the Indian factories during 1933.

8. The case for the withdrawal of preference is as follows :—

(*a*) Of the six firms which made representation in December 1932, three have gone out of business and the remaining three have been forced to make drastic reductions in their output.

(*b*) The Indian share of the industry had dwindled from 85 per cent. to 15 per cent. on the eve of the Ottawa concession. One year of preference has put the Indian-owned factories at the mercy of their competitors. By means of secret rebates the Canadian and other foreign interests are selling utensils below the rate at which they sell raw materials to the Indian-owned factories.

(*c*) The grant of preference has resulted in an unbreakable monopoly of the supply of raw material to India.

(*d*) The cost of manufactured articles is kept at rates lower than the cost of raw material to the Indian-owned factories ; and

(*e*) The depreciation of the dollar has increased the competitive power of the American competitor.

9. The case as thus presented consists of two distinguishable parts (*a*) the Indian-owned factory is being ruined by the unfair competitive methods of the non-Indian firms and (*b*) the process of ruin is being assisted by the preference. So far as head (*a*) is concerned it may justifiably be concluded that this issue is not relevant to the purposes of the present Report. It remains, therefore, to examine how far the preference is or is not contributing to the ruin of the Indian-owned factory. As evidence of the parlous state of the industry it is said that on the eve of the Ottawa preferences the share of the Indian-owned factories had shrunk from 85 per cent. to 15 per cent. of the market. It is difficult to understand in these circumstances why the Bombay manufacturers refused a 61 per cent. share in what, it is understood, is the most important manufacturing centre in India. It is also asserted that by

reason of the preference three of the firms which made a representation in December 1932 have gone out of business and that the remaining three are in sore straits. In the opinion of the Director-General of Commercial Intelligence and Statistics and of the Director of Industries, Bombay, the slump in the industry is due to (*a*) general trade depression, (*b*) the competition of brass utensils arising from the cheapness of yellow metal and (*c*) competition amongst the aluminium producers themselves.

10. It is interesting to consider these alternative theories in the light of trade statistics. The following table shows the imports of wrought aluminium in cwts. over recent periods of years :—

	Three years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
Imports from U. K. ..	47	25	10	10	21
Total Imports	142	127	39	24	39

On the fair assumption that imports of raw material are a reasonable catastrophic check to Indian production of aluminium ware in 1931 and index of manufacturing activity, these figures indicate that there was a that it was only in 1933-34 that signs of recovery became apparent. All manufacturing concerns must have suffered to a greater or lesser extent but their loss cannot be attributed to a preference which took effect from the 1st January 1933. The course of yellow metal prices may also be considered.

Value per cwt. in rupees of brass, bronze and similar alloys imported into India.

Three years' average ending 1929-30.	1930-31.	1931-32.	1932-33.	1933-34.
48.5	42.9	36.8	31.5	29.3

It is understandable, as reported by the Director of Industries, Bombay, that two of the Bombay factories should have completely turned from aluminium to brass and that the remaining factories, with the exception of the Wolverhampton Aluminium Works, should be turning out 60 to 70 per cent. brass to 30 to 40 per cent. aluminium.

11. From the foregoing paragraphs it will appear that there are reasons other than the preference which would account for the depression in the aluminium utensil manufacturing industry. The fear of preference resulting in a monopoly of the supply of the raw material has not been justified. It will be seen from the table in Chapter II which sets out the imports of wrought aluminium that the United Kingdom share of the import trade in 1933-34 was 54 per cent., a share which is far from constituting a monopoly of supply. The following figures show the extent to which other sources contributed in the calendar year 1933 :

Country.	*Circles. (Cwts.)*	*Sheets. (Cwts.)*
U. K.	15,104	1,423
Japan	4,358	—
Germany	3,938	302
Switzerland	1,137	—
Canada	920	—
France	223	10
U. S. A.	181	—

It is reported that in the first four months of the present year the United Kingdom share has fallen from 58 to 41 per cent.

12. It is now for consideration whether there is evidence to suggest that the preference has maintained prices against the Indian factories at an unfair or improper level. At the time of the inception of the preference British and Canadian circles were selling at 14 annas per lb. The price is now reported to be 13 annas per lb. for these varieties, with Japanese circles at about one anna per lb. less. If it is remembered that Japan does not manufacture virgin metal but makes her circles from scrap, the margin between the British and Japanese prices is not unreasonable.

13. To sum up, the salient features of the period subsequent to the inception of the aluminium preference have been—

(*a*) An increase in imports which has been shared between the United Kingdom and other sources of supply. In 1933-34 the division was in the ratio of 54 : 46. In the first four months of 1934 it was 41 : 59.

(*b*) An ample supply of raw material from non-monopolistic sources ; and

(*c*) A substantial fall in British prices from 14 annas to 13 annas per lb. together with competing, if inferior, supplies available at 12 annas per lb.

It is for consideration whether in these circumstances it can be held that the preference has proved harmful to the Indian industry.

APPENDIX L.

(a) Table of preferences grantedt o India by the United Kingdom and certain British Colonies.

(i) UNITED KINGDOM.

Article.	Unit of Assessment.	Rate of duty as on 1st March, 1932. General.	1st March, 1932. Preferential.	1st January, 1933. General.	1st January, 1933. Preferential.	1st January, 1934. General.	1st January, 1934. Preferential.	Margin of Preference as on 1st January 1934.
		£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
Schedule A.								
Wheat in grain	Per qts. of 480 lbs.	Free	Free	0 2 0	Free	0 2 0	Free	2s.
Rice husked including cargo rice and cleaned rice whole, but not including broken rice.	Per lb.	10% *ad val.*	Do.	0 0 1	Do.	0 0 1	Do.	1*d.*
Castor oil, cocount oil, groundnut oil, rape oil and sesamum oil.		10% *ad val.*	Do.	15% *ad val.*	Do.	15% *ad val.*	Do.	15%
Linseed oil		10% *ad val.*	Do.	Do.	Do.	3 10 0 per ton.	Do.	£ 3-10 per ton.
Magnesium chloride	Per cwt.	33-1/3 % (Key industry duty).	Do.	0-1-0 *plus* 33-1/3% *ad val.* (Key industry duty).	Do.	0-1-0 *plus* 33-1/3% *ad val.* (Key industry duty.)	Do.	1*s.* *plus* 33-1/3% *ad. val.*
Linseed	*Ad val.*	Free	Free	10%	Free	10%	Free	10%
Schedule B.								
Coffee, not Kiln dried, roasted or ground ..	Per cwt.	0 14 0	0 11 8	0 14 0	0 4 8	No change.		9s. 4d.
Schedule C.								
Tea	Per lb.	Free	Free	0 0 4	0 0 2	No change.		2*d.*
Coir yarn	..	10% *ad val.*	Do.	10% *ad val.*	Free	No change.		10%
Coir mats and mattings	..	Do.	Do.	20% *ad val.*	Do.	No change.		20%
Cotton yarns unbleached up to No. 40 counts	..	Do.	Do.	10% *ad val.*	Do.	No change.		10%
Cotton manufactures—								
(1) Carpets, Carpetting, floor rugs, floor mats and matting—	..	10% *ad val.*	Free.	20% *ad val.*	Free.		Free.	
(a) hand made per sq. yd. (exclusive of fringes).	..	10% *ad val.*	Free.	20% *ad val.*	Free.	0 4 6	Free.	
(b) other kinds per sq. yd. (exclusive of fringes).	..	10% *ad val.*	Free.	20% *ad val.*	Free.	0 0 9 or 20% *ad val.* whichever is higher.	Free.	
(2) Lace and lace net of all kinds ..	..	10% *ad val.*	Free.	20% *ad val.*	Free.	30% *ad val.*	Free.	
(3) Others	..	10% *ad val.*	Free.	20% *ad val.*	Free.	20% *ad val.*	Free.	20%

APPENDIX I—*contd.*

(a) Table of preferences granted to India by the United Kingdom and certain British Colonies—contd.

(i) UNITED KINGDOM—*contd.*

Article.	Unit of Assessment.	Rate of duty as on 1st March, 1932. General.	1st March, 1932. Preferential.	1st January, 1933. General.	1st January, 1933. Preferential.	1st January 1934. General.	1st January 1934. Preferential.	Margin of preference as on 1st January 1934.
Schedule C—contd.		£ s. d.	£ s. d.	£ s. d.	£ s d.	£ s. d.	£ s. d.	
Leather undressed—hides other than sole leather.	..	10% *ad val.*	Free.	10% *ad val.*	Free.	No change.		10%
Leather undressed—skins	..	Do.	Do.	Do.	Do.	No change.		10%
Jute manufactures—								
(1) Carpets, carpetting, floor rugs, floor mats and matting—								
(a) hand made per sq. yd. (exclusive of fringes),	—	Do.	Do.	20 % *ad val.*	Do. ..	0 4 6	Free.	
(b) other kinds per sq. yd. (exclusive of fringes).	—	Do.	Do.	20 % *ad val.*	Do.	0 0 9 or 20% *ad val.* whichever is higher.	Free.	
(2) Cordage, cables, ropes and twine ..	—	Do.	Do.	20 % *ad val.*	Do.	15% *ad val.*	Free.	
(3) Others	—	Do.	Do.	20 % *ad val.*	Do.	20% *ad val.*	Free.	20%
Oilseed—cake and meal	..	Do.	Do.	10 % *ad val.*	Do.	No change.		10%
Paraffin wax	..	Do.	Do.	Do.	Do.	No change.		10%
Spices	..	Do.	Do.	Do.	Do.	No change.		10%
Teak and other hard wood	..	Do.	Do.	Do.	Do.	No change.		10%
Woollen Carpets and Rugs—								
(1) Travelling rugs, blankets, etc. ..	..	Do.	Do.	Free.	Do.	20% *ad val.*	Free.	
(2) Carpets, carpetting, floor rugs, floor mats and matting—								
(a) hand made per sq. yd. (exclusive of fringes),	..	Do.	Do.	Free.	Do.	0 4 6	Free.	20% generally.
(b) other kinds per sq yd. (exclusive of fringes).	..	Do.	Do.	Free.	Do.	0 0 9 or 20% *ad val.* whichever is higher.	Free.	20% generally.

Bran and Pollard	..	Do.	Do.	10% *ad val.*	Do.			10%
Rice meal and dust	..	Do.	Do.	Do.	Do.			10%
Tobacco—								
Unmanufactured—								
If unstripped.—Containing 10 lb. or more of moisture in every 100 lb. weight thereof.	Per lb.	0 9 6	0 7 5½	0 9 6	0 7 5½			
Containing less than 10 lb. of moisture in every 100 lb. weight thereof.	Do.	0 10 6	0 8 2⅞	0 10 6	0 8 2⅞			2*s.* approx.
If stripped.—Containing 10 lb. or more of moisture in every 100 lb. weight thereof.	Do.	0 9 6½	0 7 5⅞	0 9 6½	0 7 5⅞			
Containing less than 10 lb. of moisture in every 100 lb. weight thereof.	Do.	0 10 6½	0 8 3¼	0 10 6½	0 8 3¼	No change		
Tobacco Manufactured—*viz.*								
Cigars	Do.	0 18 1	0 14 2¼	0 18 1	0 14 2¼			4*s.* approx.
Castor seed	..	10% *ad val.*	Free	10% *ad val.*	Free			10%
Magnesite	..	Do.	Do.	Do.	Do.			10%
Sandalwood oil	..	Do.	Do.	Do.	Do.			10%
Granite setts and kerbs	..	Do.	Do.	15%	Do.			15%
Groundnuts	..	Do.	Do.	10% *ad val.*	Do			10%
Lead (pig)	..	Do	Do	Do	Do			10%
Schedule D.								
Shellac, seed lac and stick lac	..	Do.	Do.	Free	Do.			
Jute raw	..	Do.	Do.	Do.	Do.			
Myrobalans	..	Do.	Do.	Do.	Do.			
Rice, broken	..	Do.	Do.	Do.	Do.			
Mica slabs and splittings	..	Do.	Do.	Do.	Do.			
Hemp of the variety of Crotalaria Juncea	..	Do.	Do.	Do.	Do	Free	Free	
Manila Hemp (musa textiles) not further dressed after scutching or decorticating and tow or such hemp.	..	Free	Do.	Do.	Do.	Do.	Do.	
True Hemp (Cannavis Sativa) not further dressed, etc., and tow or such hemp	..							
Manila Hemp of the grade known as Canton not further dressed after scutching or decorticating.	..	10% *ad val.*	Do.	10% *ad val.*	Do.	Do.	Do.	

APPENDIX I—*contd.*

(a) *Table of preferences granted to India by the United Kingdom and certain British Colonies.*

(ii) Ceylon.

Articles.	Rate of duty: Before 1st February 1933. General.	On and after 1st February 1933. General.	On and after 1st February 1933. Preferential.	Margin of preference
Cotton piecegoods (excluding lace and net)	10% *ad val.*	10% *ad val.*	10% *ad val.*	No preference.
Cotton yarn	5% "	15% "	5% "	10% *ad val.*
Fresh fruits and vegetables—apples and grapes	15% "	20% "	10% "	10%
Fresh fruits not elsewhere specified	15% "	25% "	15% "	10%
Fresh vegetables not elsewhere specified	15% "	15% "	5% "	10%
Onions	R 0-40 c. per cwt.	R 0-20 c. per cwt.	20 c. per cwt.	No preference.
Potatoes	R 1-0 c. per cwt.	R 1-0 c. per cwt.	R 1 per cwt.	No preference.
Dried, salted & preserved fruits & vegetables :—				
Dried fruits (except currants)	15% *ad val.*	25% *ad val.*	15% *ad val.*	10%
Dried vegetables (*not elsewhere specified*)	15% "	15% "	5% "	10%
Pig lead	Free	10% "	Free	10%
Iron and steel (except those below)	10% "	20% "	10% "	10%
Iron pig or scrap, fit only for remanufacture	15% "	Free	Free "	..
Iron manufactures not elsewhere specified	15% "	25% "	15% "	10%
Iron specially prepared for strapping packages	15%			
Iron & Steel—				
(1) *staples and wire nails*	15%			
(2) Bars and rods, slabs including blister, jumper & tool steel, not fabricated.	10%			
(3) Expanded metal and other materials for re-inforcement, not fabricated.	10% } "	10% "	10% "	No preference.
(4) Plain, plates & sheets, flat or corrugated, not fabricated	10%			
(5) Rolled angles, bulbs, channels, shapes & sections, Hiron girders, tees, beams, joists, pillars and rails not fabricated.	10%			
Teak and other hardwoods	15% "	25% "	15% "	10%
Perfumery	15% "	25% "	15% "	10%

Perfumed spirits		R 30 per Gal. or 30% *ad val.* whichever is higher.	R 30 per Gal. or 30% *ad val.* whichever is higher.	R 30 per Gal. or 30% *ad val.* whichever is higher.	No preference.
Coriander seed		Free	Free	Free	..
Beans	Per cwt.	50 cents	R 1-0 c.	R 0-50 c.	50 c. per cwt.
Apparel—					
If, of silk, satin or art. silk		20% *ad val.*	25% *ad val.*	20% *ad val.*	5%
Others		15% ,,	15% ,,	15% ,,	No preference.
Boots and shoes (except canvas rubber soled)		15% ,,	25% ,,	15% ,,	10% ,,
Woollen carpets and rugs (carpets, mixed material, other than silk or art. silk). ..		15% ,,	25% ,,	15% ,,	10% ,,
Tea	per lb.	25 c.	37½ c.	25 c.	12½ c. per lb.
Coffee (raw, roasted or ground)	,,	10 c.	10 c.	10 c.	No preference.
Tobacco—					
(1) Unmanufactured..	,,	R 2/30	R 2/30 c.	R 2/0 c.	30 c. per lb.
(2) Manufactured—					
(*a*) Tobacco not elsewhere specified	,,	R 4/75	R 4/75	R 4/0	
(*b*) Beedies	,,	R 6/30	R 4/75	R 4/0	75 c. per lb.
(*c*) Cigars	,,	R 4/75	R 4/75	R 4/0	
(*d*) Cigarettes—					
(*i*) *Manufactured in the Br. Empire from* Empire grown tobacco—					
(*a*) Sold wholesale at not more than Rs. 11 per lb. nett.	,,	R 6/30	—	R 5/0	
(*b*) Sold wholesale at more than Rs. 11 per lb. nett.	,,	R 6/30	—	R 6/0	
(*ii*) Manufactured in the British Empire from foreign tobacco :—					
(*a*) Sold wholesale about more than Rs. 11 per lb. nett.	,,	R 6/30	—	R 5/50	R 1-50 *per* lb. (average).
(*b*) Sold wholesale at more than Rs. 11 per lb. nett.	,,	R 6/30	—	R 6/50	
(*iii*) Manufactured in the British Empire from Empire-grown and foreign tobacco at rates intermediate between (*i*) and (*ii*) above according to the certified proportion of Empire and foreign leaf content.	,,	R 6/30	..	..	
(*iv*) Manufactured in foreign countries ..	,,	R 6/30	R 7	..	

APPENDIX I—*contd.*

(a) *Table of preferences granted to India by the United Kingdom and certain British Colonies*—contd.

(ii) CEYLON—*contd.*

Articles.		Rate of duty Before 1st February 1933. General.	On and after 1st February 1933. General.	On and after 1st February 1933. Preferential.	Margin of preference.
(v) Hooka tobacco	Per lb.	R 2	R 2-30	R 2-0	30 c. per lb.
(vi) Beedi tobacco	,,	R 4/75	R 2-30	R 2-0	
(vii) Snuff	,,	R 3/50	R 3/50	R 3/0	50 c. per lb.

(iii) FEDERATED MALAY STATES.

Articles.		Rate of duty on 1st June 1932. General.	1st June 1932. Preferential (not applicable to India).	14th October 1932. General.	14th October 1932. Preferential (not applicable to India).	On and after 9th September 1933. General.	On and after 9th September 1933. Preferential (applicable to India).	Margin of preference.
Tanned hides and skins		Free	Free	15%	5%	15%	5%	10%
Brass, bronze, brassware & bronzeware		,,	,,	15%	5%	15%	5%	10%
Copper and copperware		,,	,,	15%	5%	15%	5%	10%
Paraffin wax		,,	,,	15%	5%	15%	5%	10%
Perfumery		50%	25%	50%	25%	50%	25%	25%
Groundnut	Per lb.	Free	Free	02 c.	01 c.	01½ c.	00¾ c.	¾ c. per lb.
Cotton piecegoods		10%	10%	20%	10%	20% or 5 cents per yd. whichever is higher.	10% or 2½ cents per yd. whichever is higher.	10% or 2½ c. per yd.
Fishmaws & Shark fins		Free	Free	15%	5%	15%	5%	10%
Groundnut oil	Per lb.	03 c.	03 c.	04 c.	02 c.	06 c.	03 c.	3 c. per lb.
Gingelly oil	,,	03 c.	03 c.	04 c.	02 c.	04 c.	02 c.	2 c. per lb.

APPENDIX I.

(b) *Table of preferences granted by India to the United Kingdom and the British Colonies.*

(i) UNITED KINGDOM.

Serial Nos. (as in Schedule F to the Agreement).	Articles.	Rate of duty as on: Pre-Ottawa 31st December 1932.	Rate of duty as on: Post-Ottawa 1st December 1933. Standard rate.	Rate of duty as on: Post-Ottawa 1st December 1933. Preferential rate.	Margin of preference on 1st December 1933.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1-3	Apparel (excluding hosiery and boots and shoes).	If containing wool—25%.	35%	25%	10%	
		Others except of silk or art. silk 25%.	30%	20%	"	
	Arms and ammunition.					
4	Filled cartridge cases	50%	50%	40%	"	
5	Empty cartridge cases	50%	50%	40%		
6	Firearms	Rs. 18/12 each *plus* 12½% or 50%.	Rs. 18/12 each *plus* 10% or 50%.	Rs. 18/12 each or 40%.	"	
7	Asbestos manufactures (not otherwise specified).	25%	30%	20%	"	
8	Boots and shoes of leather ..	25% or 5 as. per pair.	30% or 5 as. per pair.	20% or 5 as. per pair.	"	
9-11	Brushes, all sorts	25%	30%	20%	"	
	Building and engineering materials, etc.					
12	Firebricks	25%	30%	20%	"	
13	Cement, Portland { White ..	25%	30%	20%	"	
	{ Others ..	Rs. 13/12 per ton.	Rs. 18/4 per ton.	Rs. 13/12 per ton.	Rs. 4/8 per ton.	
14-16	Others	25%	30%	20%	10%	
17	Buttons, metal	25%	30%	20%	"	

APPENDIX I—*contd.*

(b) Table of preferences granted by India to the United Kingdom and British Colonies—contd.

(i) UNITED KINGDOM—*contd.*

Serial Nos (as in Schedule F to the Agreement).	Articles.	Rate of duty as on Pre-Ottawa 31st December 1932.	Rate of duty as on Post-Ottawa 1st December 1933. Standard rate.	Post-Ottawa 1st December 1933. Preferential rate.	Margin of preference on 1st December 1933.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
18-30	Chemicals and chemical preparations (excluding chemical manures and medicines)* not otherwise specified.	25% or an alternative specific rate in certain cases.	30%	20%	10%	*Cadmium sulphide, cobalt oxide, selenium, uranium oxide & zinc oxide are dutiable at 25% standard and 15% preferential.
31	Cocoa and chocolate (other than confectionery.)	25%	30%	20%	,,	
32	Confectionery	50%	50%	40%	,,	
33	Cordage and rope of vegetable fibre (excluding jute and cotton).	25%	30%	20%	,,	
34	Cork manufactures (not otherwise specified).	25%	30%	20%	,,	
35	Cutlery (except pruning knives)—					
	Not plated	25%	30%	20%	,,	
	Plated	50%	50%	40%	,,	
36-37	Drugs and medicines not containing spirit (except chemicals and narcotics).	25%	30%	20%	,,	Certain items are in the free list or have no preference.

38-40	Earthenware and porcelain (except pipes and sanitary ware).	25%	30%	20%	„
41-43	Furniture and cabinetware ..	25%	30%	20%	„
44	Glue (other than clarified liquid glue)	25%	30%	20%	„
45-54	Hardware (excluding cutlery & electroplated ware).	25%	30%	20%	„
	Instruments, Apparatus, etc. (a) ELECTRICAL—				
55	Fans and parts thereof ..	25%	30%	20%	„
56	Wires and cables (except those specified in S. Nos. 96 and 99-B of the Indian Customs Tariff).	25%	30%	20%	„
57	Standard lighting lamps—				
	Electric lighting bulbs ..	50%	50%	40%	„
	Others	25%	30%	20%	„
58	Batteries (not for telegraphic or telephonic use).	25%	30%	20%	„
59-60	Accumulators—				
	For motor cars	37½%	37½%	30%	7½%
	Others	25%	30%	20%	10%
61-65	Others	25%	30%	20%	„
66-68	(b) MUSICAL	50%	50%	40%	„
69	(c) Cinema films, not exposed ..	25%	25%	15%	„
70-73	(d) Photographic, scientific & philosophical and surgical.	25%	30%	20%	„
74	(e) Wireless apparatus, etc. ..	50%	50%	40%	„
75	(f) Other instruments, etc. ..	25%	30%	20%	„
76-79	Leather	25%	30%	20%	„

APPENDIX I—*contd.*

(*b*) *Table of preferences granted by India to the United Kingdom and British Colonies.*

(*i*) UNITED KINGDOM—*contd.*

Serial Nos. (as in Schedule F to the Agreement).	Articles.	Rate of duty as on			Margin of preference on 1st December 1933.	Remarks.
		Pre-Ottawa 31st December 1932.	Post-Ottawa 1st December 1933.			
			Standard rate.	Preferential rate.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Liquors including denatured and perfumed spirits.					
	Ale and beer—					
80	In bottles	$7\frac{1}{2}$ p. to $2\frac{1}{2}$ as. per bottle.	$\frac{3}{4}$ an. to 3 as. per bottle.	7 p. to 2-1/3 as. per bottle.	2 to 9 p. per bottle	According to size of bottle.
81	In other containers	15 as. and Re. 1/4 per Imp. Gallon.	Re. 1/2 & Re. 1/8 per Imp. Gal.	14 as. & Re. 1/2-2/3 per Imp. Gal.	4 as. and 5-1/3 as. per Imp. Gal.	According to size of container.
82	Spirit present in drugs, medicines or chemicals.	Rs. 27/5/6 and Rs. 37/8 per Gal. or 25%.	Rs. 29 and Rs. 40 per Imp. Gal.	Rs. 26 and Rs. 36 per Imp. Gal.	Rs. 3 and Rs. 4 per Gal.	According to strength.
83	Spirit, perfumed	Rs. 60 per Gal.	Rs. 60 per Imp. Gal.	Rs. 52/8 per Imp. Gal.	Rs. 7/8 per Gal.	
84	Machinery and mill work.. ..	25%	30%	20%	10%	
	Metals and Ores—					
85-87	(*a*) Aluminium	"	"	"	"	
88-93	(*b*) Brass, bronze and similar alloys and manufactures thereof.	"	"	"	"	
	(*c*) Copper, wrought—	..				
94	Rods	..				

95	Sheets	„	„†	„	„	†Certain kinds of sheets are dutiable at 10%.
96	Tubes	„	„	„	„†	
97	Wire, excluding telegraph and telephone (and those mentioned in S. Nos. 83, 96 and 99 B. of the Indian Customs Tariff).	„	„	„	„	
98	Other manufactures	„	„	„	„	
99	(*d*) German silver (including nickel silver).	„	„	„	„	
100	(*e*) Iron and Steel, all sorts, etc. ..	15-5/8% and 25% and/or specific duty in one or two cases.	*20%	*10%	„	*Generally the rate is as shown but in certain cases it is 30% standard and 20% preferential.
101-2	(*f*) Lead, wrought	25%	30%	20%	„	
103	(*g*) Zinc or spelter, wrought or manufactured.	„	„	„	„	
	Oils—					
104-6	(*a*) Fish, Essential—synthetic, and natural (except *almond, etc.*).	„	„	„	„	
107	(*b*) Lubricating (mineral) other than batching.	2 as. 1 p. per Gal.	Imp. 2½ as. per Imp. Gal.	½ an. per Imp. Gal.	2 as. per Imp. Gal.	
108	(*c*) Mineral: paints, solutions and composition, etc.	25%	30%	20%	10%	
109	(*d*) Vegetable non-essential oils (except coconut, groundnut and linseed).	„	35%	25%	„	
110	Oil-cloth and floor-cloth	„	„	„	„	
111	Packing—Engine and boiler—of all kinds (excluding asbestos).	„	„	„	„	
112-18	Paints and painters' materials ..	„	„	„		

APPENDIX I—*contd.*

(*b*) *Table of preferences granted by India to the United Kingdom and British Colonies.*—contd.

(*i*) United Kingdom—*concld.*

Serial Nos. (as in Schedule F to the Agreement).	Articles.	Rate of duty as on: Pre-Ottawa 31st December 1932.	Post-Ottawa 1st December 1933. Standard rate.	Post-Ottawa 1st December 1933. Preferential rate.	Margin of preference on 1st December 1933.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Paper and Paste-board— (*a*) Paper—					
119	Packing paper	25%	35%	25%	10%	
120-22	Printing paper (except newsprint), writing paper, large and envelopes imported separately.	1¼ as. per lb. or 25%	No change*			*No change except in the case of certain kinds of printing paper (*e.g.*, chrome, marble, etc.) which are liable at 30% (standard) and 20% (preferential).
123-4	Other kinds of paper and paper manufactures.	25%	30%	20%	10%	
125-6	(*b*) Pasteboard, millboard and card-board (other than straw-boards) and manufactures thereof.	"			"	
127-30	Provisions and Oilman's stores ..	"	"	"	"	
131-37	Rubber manufactures	"	"	"	"	
123	Smokers' requisites (excluding tobacco).	50%	50%	40%	"	

139	Soap, toilet	25%	35%	25%	,,
140-1	Stationery (excluding paper), pencils, etc.		30%	20%	,,
	Textiles—				
142-3	Haberdashery and millinery—				
	If containing wool	,,	35%	25%	,,
	Others except of silk or art silk ..	,,	30%	20%	,,
144-45	Wool yarns and knitting wool ..	,,	,,	,,	,,
146-50	Wool manufactures	,,	35%	25%	,,
151	Toilet requisites, not otherwise specified.	,,	30%	20%	,,
152-4	Toys and requisites for games and sports.	50%	50%	40%	,,
155	Umbrella and umbrella fittings ..	25%	30%	25%	,,
	Vehicles—				
156-9	Carriages and carts not mechanically propelled and parts thereof; cycles and parts and accessories thereof.	,,	,,	,,	,,
160	Motor cars (including taxi cabs) ..	37½%	37½%	30%	7½%
161-2	Motor omnibuses and chassis thereof, motor vans and lorries.	25%	25%	17½%	,,
163	Parts of mechanically propelled vehicles and accessories—				
	If adapted for motor cars and cycles.	37½%	37½%	30%	,,
	Others	25%	25%	17½%	,,

APPENDIX I—*contd.*

(*ii*) *British Colonies.*

Articles.	Pre-Ottawa (31st December 1932.)	Post-Ottawa (1st December 1933.) Standard.	Post-Ottawa (1st December 1933.) Preferential.	Margin of preference.
Asphalt	25%	25%	15%	10%
Beeswax	25%	30%	20%	"
Soda ash, including Calcined, natural soda and manufactured sesqui-carbonates.	25%	30%	20%	"
Gum, arabic	"	"	"	"
Gum, benjamin, ras and cowrie	"	"	"	"
Gum dammer	"	"	"	"
Dammer batu, unrefined ..	"	"	"	"
Rosin	"	"	"	"
Cutch	"	"	"	"
Gambier, all sorts	"	"	"	"
Citronella oil	"	"	"	"
Cinnamon oil	"	"	"	"
Cinnamon leaf oil	"	"	"	"
Coconuts, husked, unhusked and other kinds, copra or coconut kernel, coir, fibre, coir yarn, coir mats and matting.	"	"	"	"
Coconut oil	"	35%	25%	"
Fish, dry unsalted .. .	"	30%	20%	"
Fish, dry salted	9-3/8 as. per Md. *plus* 6¼%	Per cwt. Rs. 3-8-0	Per cwt. Rs. 1-8-0.	Rs. 2 Per cwt.
Fish, canned	25%	30%	20%	10%
Fresh vegetables	"	"	"	"
Vegetables, dried, salted or preserved.	"	"	"	"
Fruits and vegetables, canned or bottled.	"	"	"	"
Fruit juices	"	"	"	"
Sisal and aloe fibre ..	"	"	"	"
Ivory, unmanufactured ..	"	"	"	"
Oil seeds (other than essential)	"	"	"	"
Vegetable oils (other than essential.)	25%	35%	25%	"
Plumbago	"	30%	20%	"
Sago and tapioca (but not sago flour).	"	"	"	"
Vanilla beans	"	"	"	"
Fresh fruits (other than coconuts).	"	"	"	"
Dried, salted or preserved fruits	"	"	"	"

APPENDIX I—*concld.*

(*ii*) *British Colonies*—contd.

Articles.	Pre-Ottawa (31st December 1932.)	Post-Ottawa (1st December 1933.) Standard.	Preferential.	Margin of preference.
Drugs and medicines (not otherwise specified).	25%	30%	20%	10%
Apparel—				
Of silk or art. silk ..	50%	50%	50%	No preference.
Of silk mixture or art. silk mixture.	34⅜%	35%	35%	"
Of wool	25%	35%	25%	10%
Others	25%	30%	20%	10%
Betelnuts	37½%	45%	37½%	7½%
Unground spices—				
Cardamoms, etc. ..	37½% Cardamoms, etc.	45%	37½%	"
Others	25% Chillies, ginger & mace	30%	22½%	"
Bitters—per Imp. gallon ..	Rs. 37-8-0 ..	Rs. 37-8-0 to Rs. 50	Rs. 33-12-0 to Rs. 45.	Rs. 3-12-0 to Rs. 5-0-0.
Coffee (other than canned or bottled).	25%	25% *plus*. 1 *anna per* lb.	25%	1 anna per lb.
Coffee canned or bottled ..	25%	30%	20%	10%
Rum—per Imp. gallon ..	Rs. 37-8-0	Rs. 37-8-0	Rs. 33-12-0	Rs. 3-12-0.
Tea	25%	5 as. per lb.	3 as. per lb.	2 as. per lb.
Unmanufactured tobacco. per lb.	Rs. 1-14-0	Rs. 2-0-0	Rs. 1-8-0	8 as.

APPENDIX II.

Exports from India to the United Kingdom.

(a) Preferential duties—Scheduled.

[*Note 1* :—In calculating the advantage on landed cost in the case of exports from India to the United Kingdom the declared values (f. o. b.) of the various, xports from India to the *United Kingdom* have been taken. As the preference is however granted in the United Kingdom on the c. i. f. values in the United Kingdom the advantage from the preference is somewhat underestimated by the method followed. This method has been adopted *because* the United Kingdom detailed accounts are for the calendar year and not for the fiscal. The defect however is not important because specific preferences have been granted on tea, tobacco and rice, which are the three most important items and between them *account for* an advantage of Rs. 597 lakhs out of a total of Rs. 802 lakhs.]

Note 2 :—The advantage is calculated on the export figures as recorded in the Indian Accounts, with the corrections so far received. There is however a certain amount regarding which final information has not yet been received and the figures are therefore provisional.

Articles. (1)		Exports during 1931-32. (2)	1932-33. (3)	1933-34. (4)	Rate of preference. (5)	Advantage on landed cost in the United Kingdom. (6)	Remarks. (7)
Schedule A.						Rs. (000	
Wheat in grain	Tons (000)	16,8	..	..	2s. per qr.	..	
	Rs. (000)	10,08	..	..	..	..	
Rice, cleaned	Tons (000)	29·6	41·5	89·7	1*d.* per lb.	1,11,63	
	Rs. (000)	27,43	33,59	51,98			
Castor oil	Gal. (000)	685	767	753	15%	1,53	
	Rs. (000)	10,94	12,17	10,17			
Linseed oil	Gal. (000)	..	..	..	£3-10 per ton	..	
	Rs. (000)	..	..	..			
Coconut oil	Gal. (000)	11	12	12	15%	3	
	Rs. (000)	18	17	17			
Groundnut oil	Gal. (000)	280	664	507	15%	94	
	Rs. (000)	3,73	10,44	6,25			
Mustard or rape oil	Gal. (000)	4	34	16	15%	3	
	Rs. (000)	12	53	23			
Sesamum oil	Gal. (000)	..	..	..	15%	..	
	Rs. (000)	..	..	..			
Magnesium chloride..	Cwt. (000)	..	..	12·9	1*s.* per cwt. *plus*	22	
	Rs. (000)	..	..	39	33-1/3 % *ad val.*		
Linseed	Tons (000)	14·1	14·3	175·2	10%	19,99	
	Rs. (000)	16,47	16,55	1,99,92			
Total ..	Rs. (000)	68,95	73,45	2,69,11	..	1,34,37	

Schedule B.								
Coffee	Cwt.	(000)	44·1	51·9	53·0	9*s*. 4*d*. per cwt.	3,30	
	Rs.	(000)	27,95	33,91	31,40			
Schedule C.								
Tea	Lbs.	(000)	291,199	330,661	276,459	2*d*. per lb.	3,07,18	
	Rs.	(000)	16,92,84	14,78,45	17,58,16			
Coir yarn	Cwts.	(000)	..	..	128	10%	1,41	
	Rs.	(000)	..	..	14,09			
Coir mats and mattings	Rs.	(000)	..	..	44,19	20%	8,84	
Cotton yarns	Lbs.	(000)	151	198	440	10%	13	
	Rs.	(000)	46	65	135			
Cotton manufactures (excluding yarn)	Rs.	(000)	16,76	29,47	13,69	*20%	2,74	* General rate.
Leather, undressed—hides—tanned, other than sole leather.	Rs.	(000)	2,08,24	1,59,29	2,38,34	10%	23,83	
Leather, undressed—skins tanned	Rs.	(000)	2,76,79	2,76,99	2,91,78	10%	29,18	
Jute manufactures	Rs.	(000)	1,86,40	1,74,61	1,60,22	*20%	32,04	
Oilseed cake and meal	Tons	(000)	1·04	1·06	1·50	10%	8,21	
	Rs.	(000)	72,51	72,44	82,16			
Paraffin wax	Tons	(000)	17	8	13	10%	5,47	
	Rs.	(000)	76,11	36,68	54,70			
Spices	Cwts.	(000)	19	31	18	10%	74	
	Rs.	(000)	7,46	10,10	7,43			
Teak and other hard woods whether hewn or sawn, in so far as now subject to duty.	Rs.	(000)	34,26	28,37	39,88	10%	3,99	
Woollen carpets and rugs	Lbs.	(000)	3,537	4,283	6,710	†20%	11,30	†A general 20% *ad. val.* rate has been adopted as the quantity is not recorded in sq. yds. in Indian accounts.
	Rs.	(000)	40,62	44,62	56,49			

APPENDIX II—*contd.*

Exports from India to the United Kingdom—contd.

(*a*) Preferential duties—Scheduled.

Articles. (1)		Exports during 1931-32. (2)	Exports during 1932-33. (3)	Exports during 1933-34. (4)	Rate of preference. (5)	Advantage on landed cost in the United Kingdom. (6)	Remarks. (7)
						Rs. (000)	
Bran and pollard / Rice meal and dust	Tons (000)	181	178	211	10%	3,70	
	Rs. (000)	48,15	53,98	37,00			
Tobacco, unmanufactured	Lbs. (000)	10,626	9,046	13,299	2*s.* per lb. (average).	1,77,32	
	Rs. (000)	39,21	36,35	46,94			
Tobacco manufactured	Lbs. (000)	24	30	38	(4*s.* per lb. average).	1,01	
	Rs. (000)	32	36	48			
Castor seed	Tons (000)	24	25	19	10%	2,16	
	Rs. (000)	34,77	35,64	21,61			
Magnesite	Cwts. (000)	..	..	48	10%	28	
	Rs. (000)	..	..	284			
Sandalwood oil	Lbs. (000)	41	27	47	10%	62	
	Rs. (000)	7,01	3,53	622			
Granite setts and kerbs	Tons (000)	..	..	10	15%	46	
	Rs. (000)	..	..	3,05			
Groundnuts	Tons (000)	83	36	30	10%	3,52	
	Rs. (000)	1,21,33	62,70	35,22			
Lead	Cwts. (000)	791	979	1,112	10%	12,98	
	Rs. (000)	1,05,19	1,18,99	1,29,78			
Total	Rs. (000)	29,68,43	26,23,22	30,45,61	..	6,37,11	

Total of Schedule A.			68,95	73,45	2,69,11	..	1,34,37
„ Schedule B.			27,95	33,91	31,40	..	3,30
„ Schedule C.			29,68,43	26,23,22	30,45,61	..	6,37,11
Total of scheduled articles ..			30,65,33	27,30,58	33,46,12	..	7,74,78
(b) Preferential duties—Unscheduled.							
Unscheduled Articles.							
Barley	Tons	(000)	21·7	12·6	..	10%	..
	Rs.	(000)	13,02	8,01	1		
Pulses	Tons	(000)	16·9	33·0	21·3	10%	1,70
	Rs.	(000)	12,05	25,88	17,04		
Miscellaneous foodgrains (*i.e.* grains excluding wheat, rice, maize, barley and pulses).	Tons	(000)	1	1	..	10%	1
	Rs.	(000)	78	47	14		
Manures	Tons	(000)	6·5	9·8	15·2	10%	83
	Rs.	(000)	3,44	5,82	8,26		
Goat skins, raw	No.	(000)	3,542	4,683	6,821	10%	7,71
	Rs.	(000)	43,74	49,66	77,09		
Others	Rs.	(000)	1,58,70	1,52,55	1,67,74	10%	16,78
Total of unscheduleed articles	Rs.	(000)	2,31,73	2,42,39	2,70,28	..	27,03
GRAND TOTAL	Rs.	(000)	32,97,06	29,72,97	36,16,40	..	8,01,81

APPENDIX III.

Exports from India to the British non-self-governing Colonies.

Note -In calculating the advantage on landed cost in the case of exports from India to the non-self-governing colonies the declared values (f. o. b.) of the various exports from India to the non-self-governing colonies have been taken.

Articles.	Exports during 1931-32.	Exports during 1932-33.	Exports during 1933-34.	Margin of preference.	Advantage on landed cost in the Colony.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Rs. (000).	
			(i) Ceylon.			
Boots and shoes—						
Pairs (000)	42·1	27·5	25·8			
Rs. (000)	72·7	56·8	53·7	10 per cent.	5·4	
Chemicals—Saltpetre—						
Cwts. (000)	58·3	23·6	21·1			
Rs. (000)	3,42·3	1,37·9	1,44·4	10 per cent.	14·4	
Earthenware and Porcelain—						
Rs. (000)	22·5	21·7	25·6	10 per cent.	2·6	
Fish, dry—						
Salted—						
Cwts. (000)	1,40·1	92·4	125·2			
Rs. (000)	28,54·8	19,35·4	23,21·2	Re. 1 per cwt.	1,25·2	
Unsalted						
Cwts. (000)	81·8	1,07·0	85·0			
Rs. (000)	12,98·2	15,63·2	12,18·9	Re. 1 per cwt.	85·0	
Furniture and Cabinetware—						
Rs. (000)	9·1	11·7	10·8	10 per cent.	1·1	
Grain, pulse and flour (except rice)—						
Tons (000)	19·9	18·5	19·8			
Rs. (000)	24,83·3	23,30·5	23,07·7	Re. ½ per cwt.	1,98·0	

Leather (Total)—					
Rs. (000)	94·0	91·7	129·5	10 per cent.	13·0
Metals—					
Iron and Steel—					
Tons (000)	0·08	0·03	..		
Rs. (000)	5	5	1	10 per cent.	
Lead, Pig—					
Cwts. (000)	44	33	31		
Rs. (000)	5,88	3,98	3,58	10 per cent.	35·8
Paints and Painters' materials—					
Cwts. (000)	·49	·27	1·1		
Rs. (000)	11·6	5·9	31·0	10 per cwt.	3·1
Perfumery—					
Rs. (000)	33·5	29·4	93·9	10 per cent.	9·4
Soap—					
Cwt. (000)	·20	·15	·25		
Rs. (000)	9·2	6·3	10·4	10 per cent.	1·0
Textiles—					
Cotton Twist and yarn—					
Lbs. (000)	138·9	136·4	172·2		
Rs. (000)	69·0	68·6	72·1	10 per cent.	7·2
Silk manufactures—					
Rs. (000)	1·9	1,18·6	20·4	5 per cent.	1·0

APPENDIX III—*contd.*

Exports from India to the British non-self-governing Colonies—contd.

Articles.	Exports during 1931-32.	1932-33.	1933-34.	Margin of preference.	Advantage on landed cost in the Colony.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Rs. (000).	
(*i*) CEYLON—*contd.*						
Tobacco—						
Unmanufactured—						
Lbs. (000)	151·3	80·7	215·0			
Rs. (000)	33·6	20·2	62·1	30 c per lb.	64·5	
Manufactured—						
Cigars—						
Lbs. (000)	11·9	27·7	12·0			
Rs. (000)	13·3	15·0	16·3	Rs. ¾ per lb.	9·0	
Cigarettes—						
Lbs. (000)	121·5	75·2	141·0			
Rs. (000)	119·7	66·5	113·7	Rs. 2 per lb.	282·0	
Other sorts—						
Lbs. (000)	42·0	13·7	38·0			
Rs. (000)	8·2	2·7	6·9	30 c per lb.	11·4	
Woollen carpets and rugs—						
Lbs. (000)	443·4	467·8	519·1			
Rs. (000)	177·5	197·2	190·3	10 per cent.	19·0	
Teakwood—						
Cubic tons (000)	1·4	1·0	1·0			
Rs. (000)	186·9	147·6	84·9	10 per cent.	8·5	

ruits and vegetables, dried salted and preserved—					
Tons (000)	2·0	2·2	2·6		
Rs. (000)	234·3	236·8	383·6	10 per cent.	38·4
Total Rs. (000)	86,68·6	74,66·7	76,56·4	...	9,35·0

(ii) FEDERATED MALAY STATES.

Apparel—					
Rs. (000)	10·3	2·2	4·2	10 per cent.	0·4
Hides and skins—					
Tanned or dressed—					
Tons (000)	..	..	..	10 per cent.	..
Instruments etc.—Musical.—					
Rs. (000)	33	16	24	10 per cent.	2·4
Brass, bronze, etc.—					
Cwts. (000)	·17	·18	·21		
Rs. (000)	13·6	14·2	16·2	10 per cent.	1·6
Oils—					
Groundnut—					
Cwts. (000)	..	..	2·6		
Rs. (000)	..	..	38·8	3c. per lb.	26·0
Gingelly—					
Cwts. (000)	..	..	..		
Rs. (000)	..	..	..	2c. per lb.	..
Paraffin wax—					
Tons (000)	..	·04	·05		
Rs. (000)	..	15·5	22·6	10 per cent.	2·3
Perfumery not being perfumed spirit—					
Rs. (000)	5·0	4·0	4·4	25 per cent.	1·1

APPENDIX III—*contd.*

Exports from India to the British non-self-governing Colonies—contd.

Articles.	Exports during 1931-32.	Exports during 1932-33.	Exports during 1933-34.	Margin of preference.	Advantage on landed cost in the Colony.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Rs. (00	
(ii) Federated Malay States—*contd.*						
Seeds—						
Groundnuts—						
Tons (000)	..	..	0·1			
Rs. (000)	..	..	15·4	¾c. per lb.	2·5	
Tea—						
Lbs. (000)	1·1	1·6	5·6			
Rs. (000)	0·6	0·8	3·5	2c. per lb.	0·2	
Cotton—						
Piecegoods—						
Yards (000)	572·4	451·7	837·6	10 per cent. or 2½c.		
Rs. (000)	342·3	248·6	341·8	per sq. yd.	34·2	
Other manufactures—						
Rs. (000)	2·8	1·1	4·2	10 per cent.	0·4	
Silk manufactures—						
Rs. (000)	..	1·0	1·2	10 per cent.	0·1	
Wool manufactures—						
Rs. (000)	6·5	2·9	4·0	10 per cent.	0·4	
Tobacco—						
Cigarettes—						
Lbs. (000)	86·9	101·5	68·2			
Rs. (000)	70·3	82·3	63·2	10 c. per lb.	10·2	
Total Rs. (000)	4,94·4	3,88·6	5,43·5	..	81·8	

(*iii*) Straits Settlements.

Tobacco—					
Cigarettes—					
Lbs. (000)	93·0	76·7	44·5		
Rs. (000)	66·4	55·9	32·0	10c. per lb.	6·7

(*iv*) Fiji.

Fruits and vegetables—					
Rs. (000)	3	6	6	20 per cent.	1
Rice not in the husk—					
Tons (000)	·05	·02	·02		
Rs. (000)	3·9	1·8	2·7	£ 1 per ton	..
Metals—Brass, bronze, etc—					
Cwts. (000)	0·05	0·05	0·06		
Rs. (000)	6	3	4	15 per cent.	1
Mustard oil—					
Gals. (000)	40·4	62·8	50·6		
Rs. (000)	84·9	100·0	59·6	½ *s.* per gal.	17
Provisions and oilman's stores—					
Rs. (000)	14·9	39·4	21·7	15 per cent.	3
Spices—					
Cwts. (000)	0·4	0·5	0·4		
Rs. (000)	11·4	16·8	11·3	15 per cent.	2
Tallow and stearine—					
Cwts. (000)	1·3	1·6	1·8		
Rs. (000)	38·9	38·7	36·1	15 per cent.	5
Tea—					
Lbs. (000)	15·6	16·8	20·3		
Rs. (000)	5·6	5·4	11·3	3*d.* per lb.	3
Cotton manufactures—					
Rs. (000)	4	28	21	15 per cent.	3
Jute gunny bags—					
No. (000)	198	240	269		
Rs. (000)	56	70	70	15 per cent.	10
Apparel—					
Rs. (000)	2·6	2·3	1·0	15 per cent.	..
Total Rs. (000) ..	2,31·2	3,11·4	234·7	..	45

APPENDIX III—*contd.*

Exports from India to the British non-self-governing colonies—contd.

Articles.	Exports during 1931-32.	1932-33.	1933-34.	Margin of preference.	Advantage on landed cost in the Colony.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Rs. (000)	
(*iv*) SEYCHELLES.						
Candles of all kinds—						
Lbs. (000)	6·5	8·3	2·6			
Rs. (000)	2	2	1	10 per cent.	..	
Fruits and vegetables—						
Rs. (000)	6	7	7	10 per cent.	1	
Metals and Ores—						
Tons (000)	..	—	..			
Rs. (000)	2	2	1	10 per cent.	..	
Provisions and oilman's stores—						
Rs. (000) .. .. .. —	7	9	7	10 per cent.	1	
Spices—						
Cwts. (000) .. .. —	0·05	0·03	0·05			
Rs. (000)	2	1	2	10 per cent.	..	
Cotton manufactures (including yarn) Rs. (000)	63	49	38	10 per cent.	4	
Total Rs. (000) ..	82	70	56	..	6	

(vi) SOMALILAND PROTECTORATE.

Rice not in the husk—					
Tons (000)	1·7	2·8	3·4		
Rs. (000)	184·8	270·9	207·6	Re. ¼ per 1½ cwt.	11

(viii) MAURITIUS AND DEPENDENCIES.

Apparel—					
Rs. (000)	18·2	11·6	22·2	13 per cent.	3
Oils, vegetable (except mustard, gingelly and castor)—					
Cwts. (000)	3·7	4·5	3		
Rs. (000)	93	102	67	Rs. 3-50 c. per 100 kg.	5
Perfumery—					
Rs. (000)	2·0	5·2	2·2	11 per cent.	..
Provisions other than ghi—					
Rs. (000)	3·0	38·7	·8	8·8 per cent.	..
Cotton manufactures—					
Rs. (000)	226·6	149·5	87·2	13 per cent.	11
Total Rs. (000) ..	3,42·8	3,07·0	1,79·4	..	19

APPENDIX III—*contd.*

Exports from India to the British non-self-governing colonies—contd.

Articles. (1)	Exports during 1931-32. (2)	1932-33. (3)	1933-34. (4)	Margin of preference. (5)	Advantage on landed cost in the Colony. (6)	Remarks. (7)
(*viii*) British West India Islands.*					Rs. (000)	
Apparel—						
Rs. (000)	7·9	8·8	7·7	10 per cent.	1	
Drugs and Medicines—						
Rs. (000)	1·1	2·1	15·7	5 per cent.	1	
Pulses—						
Tons (000)	0·8	0·6	1·0			
Rs. (000)	1,08·8	81·5	1,14·1	5 *d.* per 100 lbs.	6	
Rice not in the husk						
Tons (000)	19·1	14·4	20·8			
Rs. (000)	16,09·8	11,53·4	13,10·7	9 *d.* per 100 lbs.	233	
Metals—Brass, bronze, etc.—						
Cwt. (000)	0·16	0·11	0·09			
Rs. (000)	25	11	10	5 per cent.	1	
Oils, vegetable, non-essential—						
Gals. (000)	5·3	4·1	6·3			
Rs. (000)	10·0	6·2	8·1	4 *d.* per gal.	1	
Provisions and oilman's stores—						
Rs. (000)	57·8	20·8	39·8	5 per cent.	2	
Seeds—						
Tons (000)	0·03	0·03	·01			
Rs. (000)	6·5	7·5	1·4	5 per cent.	..	
Tea—						
Lbs. (000)	57·7	174·6	66·5			
Rs. (000)	25·3	74·5	36·7	4 *d.* per lb.	15	
T obacco, unmanufactured—						
Lbs. (000)	..	43	68			
Rs. (000)	..	21	26	10 *d.* per lb.	38	
Toys and requisites for games –						
Rs. (000)	4·0	4·4	5·8	5 per cent.	...	
Total (Rs. 006) ..	18,56·3	13.91·2	15,76·0	..	2,98	

* The rates of preference taken into account for the islands refer to Jamaica.

(*ix*) BRITISH GUIANA.

Pulses—					
Tons (000)	0·4	0·7	0·6		
Rs. (000)	51·2	76·1	59·4	25 c. per 100 lbs.	9
Metals—Brass, bronze, etc.—					
Cwt. (000)	0·04	0·13	0·01		
Rs. (000)	3	5	1	16⅔ per cent.	..
Oil, mustard—					
Gals. (000)	4·9	5·1	4·1		
Rs. (000)	8·4	8·5	5·3	13 c. per gal.	1
Ghi—					
Cwts. (000)	0·23	·12	·29	$1 per 100 lbs.	1
Rs. (000)	23·1	6·7	9·7		
Tea—					
Lbs. (000)	11·3	22·5	12·9		
Rs. (000)	4·7	10·2	6·9	16c. per lb.	6
Jute gunny bags—					
No. (000)	14,64	18,34	20,75		
Rs. (000)	408	581	479	3 per cent.	14
Total Rs. (000) ..	4,98·4	6,87·5	5,61·3	..	31

(*x*) CYPRUS.

Paraffin wax—						
Tons (000)	·02	·03	·04			
Rs. (000)	10·9	13·7	18·4	2½ s. per 100 okes	1	One oke = 2·8 lbs. approximately.
Cotton—						
Twist and yarn—						
Lbs. (000)	233·6	125·6	221·7			
Rs. (000)	84·6	53·5	96·4	17 per cent.	16	
Piece-goods—						
Yds. (000)	35·2	..	..			
Rs. (000)	5·7	..	..	6-2/3 per cent.	..	
Jute, gunny bags—						
No. (000)	233·7	192·2	199·3			
Rs. (000)	58·5	35·3	39·1	6-2/3 per cent.	3	
Rice—						
Tons (000)	0·1	0·2	0·1			
Rs. (000)	6·8	14·0	5·2	8-2/3 *d.* per 100 okes.	..	
Total Rs. (000) ..	1,66·5	1,16·5	1,59·1	..	20	

APPENDIX III—*concld.*

Export from India to the British non-self-governing colonies—concld.

Articles. (1)	Exports during. 1931-32. (2)	1932-33. (3)	1933-34. (4)	Margin of preference. (5)	Advantage on landed cost in the Colony. (6)	Remarks. (7)
			(xi) SIERRA LEONE.		R (000)	
Handkerchiefs and shawls in the piece—						
Rs. (000)	7	1,10	96	10%	10	
Jute, gunny bags—						
No. (000)	27	1,26	6,57	1s. per 100 lbs.	31	
Rs. (000)	7	31	1,55			
Total Rs. (000) ..	14	1,41	2,51	..	41	
GRAND TOTAL Rs. (000) ..	1,25,95·4	1,12,06·7	1,14,57·0	..	14,94·5	

APPENDIX IV.

APPENDIX IV.

Imports into India from the United Kingdom.

(a) Preferential Duties—Scheduled.

Serial Nos. in Schedule F to the Agreement.	Article.		Imports during 1931-32.	Imports during 1932-33.	Imports during 1933-34.	Margin of preference.	Advantage on landed cost in India.
							Rs. (000)
1—3	Apparel	Rs. (000) ..	22,13	21,48	20,06	10%	2,01
	Arms, ammunition—						
4—5	Cartridge cases, filled and empty	No. (000) ..	26,046	17,885	14,222		
		Rs. (000) ..	17,25	13,47	9,85	10%	98
6	Firearms	No. (000) ..	26	14	8		
		Rs. (000) ..	18,95	9,44	7,30	10%	73
7	Asbestos manufactures	Rs. (000) ..	11,16	9,46	11,22	10%	1,12
8	Boots and shoes of leather	Pairs (000) ..	109	107	101		
		Rs. (000) ..	5,93	5,33	5,26	10%	53
9—11	Brushes	Doz. (000) ..	51	77	95		
		Rs. (000) ..	3,04	3,92	4,72	10%	47
	Building materials—						
13	Cement, Portland	Tons (000) ..	45	33	31	Rs. 4-8-0 per ton.	1,39
		Rs. (000) ..	24,11	15,87	12,96		
12 & 14-16	Others	Rs. (000) ..	8,57	7,75	7,95	10%	79
17	Buttons, metal	Rs. (000) ..	64	60	1,05	10%	10
18—30	Chemicals and chemical preparations (excluding chemical manures and medicines)	Rs. (000) ..	1,41,00*	1,40,00*	1,49,00*	10%	14,90
31—32	Cocoa and chocolate and confectionery		Included in Provisions and oilmans' stores (*vide* items Nos. 127–130).				
33	Cordage and rope of vegetable fibre	Cwt. (000) ..	5·9	4·5	6·5		
		Rs. (000) ..	288	2,00	2,49	10%	25
34	Cork manufactures	Rs. (000) ..	81	31	58	10%	[illegible]

35	Cutlery (other than pruning knives)	Rs. (000) ..	4,80	5,30	6,41	10%	64
36—37	Drugs and medicines	Rs. (000) ..	22,08	15,12	16,35	10%	1,63
38—40	Earthenware and porcelain	Rs. (000) ..	14.30	12,26	12,24	10%	1,22
41—43	Furniture and cabinetware	Rs. (000) ..	8,15	6,20	8,65	10%	86
44	Glue	Cwt. (000) ..	5·8	4·3	4·4		
		Rs. (000) ..	1,26	1,01	96	10%	10
45—54	Hardware (excluding cutlery and electroplated ware) ..	Rs. (000) ..	91,00	85,00	92,00	10%	9,20
55—75	Instruments, apparatus and appliances and parts thereof	Rs. (000) ..	*1,83,00	*1,94,00	*2,06,00	10% (mainly)	20,60
76—79	Leather	Rs. (000) ..	12,89	13,15	12,50	10%	1,25
	Liquors—						
80—81	Ale and beer	Gal. (000) ..	2,347	2,322	2,072		
		Rs. (000) ..	44,16	45,50	41,47	5 as. per Imp. Gal. (approx.).	6,47
82	Spirit present in drugs, etc.	Gal. (000) ..	46	39	49		
		Rs. (000) ..	14,06	13,08	15,43	Rs. 3-8-0 per Gal. (avg.).	1,71
83	Spirit, perfumed	Gal. (000) ..	2·5	2·6	3		
		Rs. (000) ..	2,26	2,53	3,36	Rs. 7-8-0 per gal.	22
84	Machinery and millwork			Not available.			
	Metals and ores—						
85—7	Aluminium, wrought	Cwt. (000) ..	10	10	21		
		Rs. (000) ..	7,50	9,41	17,43	10%	1,74
88—93	Brass, bronze and similar alloys, wrought ..	Cwt. (000) ..	82	1,70	1,71		
		Rs. (000) ..	32,95	54,82	52,99	10%	5,30
94—98	Copper, wrought	Cwt. (000) ..	64	72	113		
		Rs. (000) ..	27,46	27,99	38,04	10%	3,80
99	German silver	Cwt. (000) ..	2·2	3·3	3·9		
		Rs. (000) ..	1,55	2,42	2,60	10%	26
100	Iron and steel, all sorts, etc.				Not available.		
101—2	Lead, wrought	Cwt. (000) ..	14	15	20		
		Rs. (000) ..	2,35	2,61	4,13	10%	41
103	Zinc, wrought	Cwt. (000) ..	4·2	3·7	5		
		Rs. (000) ..	90	90	1,26	10%	13

* Represent imports of all classes, the complete share of the preferential items not being available.

APPENDIX IV—*contd.*

IMPORTS INTO INDIA FROM THE UNITED KINGDOM—*contd.*

(*a*) *Preferential Duties—Scheduled*—contd.

Serial Nos. in Schedule F to the Agreement.	Article.	Unit	Imports during 1931-32.	Imports during 1932-33.	Imports during 1933-34.	Margin of preference.	Advantage on landed cost in India.
							Rs. (000)
	Oils—						
104	Fish Oil	Gals. (000)	103	163	99		
		Rs. (000)	134	179	101	10%	10
105	Essential — Synthetic	Gals. (000)	0·07	1·5	1·5		
		Rs. (000)	2	13	36	10%	4
106	Natural essential oils—" Others "	Gals. (000)	3·5	4·2	6·4		
		Rs. (000)	126	98	156	10%	16
107	Lubricating (mineral) other than batching	Gals. (000)	1,515	1,639	2,349	2 as. per	
		Rs. (000)	26,71	20,90	25,55	Imp. gal.	294
108	Mineral paints, solutions, compositions, etc.	Gals. (000)	5	11	30		
		Rs. (000)	46	104	227	10%	23
109	Vegetable non-essential oils—" Others "	Gals. (000)	36	16	26		
		Rs. (000)	43	23	36	10%	4
110	Oilcloth and floor-cloth	Sq. yds.(000).	237	414	434		
		Rs. (000)	229	364	365	10%	36
111	Packing—engine and boiler—of all kinds (excluding asbestos)	Rs. (000)	218	225	265	10%	26
	Paints and painters' materials—						
112 17	Paints and colours	Cwts.(000)	133	131	149		
		Rs. (000)	34,40	35,88	39,23	10%	392
118	Painters' materials, other than turpentine, varnish, etc.	Rs. (000)	382	389	486	10%	49
	Paper and pasteboard—						
119	Packing paper	Cwts.(000)	20	19	14		
		Rs. (000)	448	355	281	10%	28
123—24	Other sorts of paper and paper manufactures	Cwts. (000)	19	19	33		
		Rs. (000)	11,55	11,60	18,61	10%	186

125—126	Pasteboard, millboard and cardboards (other than strawboard) and manufactures thereof ..	Cwts. (000) ..	16	19	31		
		Rs. (000) ..	367	446	665	10%	66
127—130	Provisions and oilman's stores including confectionery and cocoa and chocolate (Nos. 31 and 32) ..	Cwts. (000) ..	99	111	110		
		Rs. (000) ..	63,34	57,82	58,33	10%	583
131—137	Rubber manufactures	Rs. (000) ..	69,34	80,16	1,16,23	10%	11,62
138	Smokers' requisites	Rs. (000) ..	73	58	125	10%	12
139	Soap, toilet	Cwts. (000) ..	24	35	35		
		Rs. (000) ..	21,37	24,67	23,78	10%	238
140—1	Stationery, pencils, etc.	Rs. (000) ..	35,30	32,44	35,17	10%	3,52
142—3	Haberdashery and millinery	Rs. (000) ..	13	14	12	10%	1
	Wool—						
144—5	Worsted yarn for weaving and knitting wool ..	lb. (000) ..	3,51	5,04	7,21		
		Rs. (000) ..	5,36	8,34	10,20	10%	1,02
146—50	Woollen manufactures	Yds. (000) ..	1,312	2,799	3,181		
		Rs. (000) ..	24,78	52,48	57,44	10%	5,74
151	Toilet requisites, etc.	Rs. (000) ..	18,13	20,73	22,15	10%	2,21
152—4	Toys and requisites for games and sports	Rs. (000) ..	10,65	10,46	11,62	10%	1,16
155	Umbrellas and umbrella fittings	Rs. (000) ..	5,99	3,68	3,55	10%	35
	Vehicles—						
156	Carriages and carts not mechanically propelled ..	No. ..	199	292	417		
		Rs. (000) ..	22	85	47	10%	5
157	Parts of carriages and carts	Rs. (000) ..	1,85	1,21	1,76	10%	18
158	Cycles (other than motor cycles)	No. (000) ..	47	54	72		
		Rs. (000) ..	16,98	18,53	23,18	10%	2,32
159	Parts of cycles and accessories	Rs. (000) ..	26,35	33,43	39,49	10%	3,95
160	Motor cars	No. (000) ..	2·2	4·0	5·3		
		Rs. (000) ..	50,36	80,06	1,06,15	7½%	7,98
161—2	Motor omnibuses including chassis	No.	435	517	528		
		Rs. (000) ..	14,43	9,85	12,35	7½%	92
63	Parts of mechanically propelled vehicles and accessories.	Rs. (000) ..	22,48	22,50	32,66	7½%	2,45
	Total ..	Rs. (000) ..	12,07,54	12,69,20	14,29,73		2,14,55

APPENDIX IV—*concld.*

IMPORTS INTO INDIA FROM THE UNITED KINGDOM—*concld.*

(b) Differential Duties.

Statutory No.	Articles.		Imports during 1931-32.	Imports during 1932-33.	Imports during 1933-34.	Margin of preference.	Advantage on landed cost in India.	Remarks.
	Iron and Steel—						Rs. (000)	
142	Coal Tubs	Tons ..	208	139	132	Rs. 18/12 per ton	2	
		Rs. (000) ..	86	56	44			
143	Iron, Angle and Channel—							
	(*a*) fabricated	Tons ..	52	2	25	Rs. 18/12 „	..	
		Rs. (000) ..	12	1	5			
	(*b*) not fabricated	Tons ..	57	92	386	Rs. 13/12 „	5	
		Rs. (000) ..	8	12	47			
144	Iron Common Bar	Tons ..	30	4	20	Rs. 13/12 „	..	
		Rs. (000) ..	5	1	4			
146	Iron or Steel, Pipes and Tubes—							
	(*b*) not galvanised—							
	(*i*) not under 1/8 inch thick ..	Tons ..	18	2	497	Rs. 18/12 „	9	
		Rs. (000) ..	10	1	1,56			
	(*ii*) under 1/8 inch thick	Tons ..	..	..	..	Rs. 32/8 „	..	
		Rs. (000) ..	..	..	..			
147	Iron or Steel, plates or sheets—							
	(*a*) fabricated	Tons ..	132	58	102	Rs. 18/12 „	2	
		Rs. (000) ..	35	22	6			
	(*b*) not fabricated	Tons ..	4,294	4,037	5,665	Rs. 20 „	1,13	
		Rs. (000) ..	5,45	4,96	7,02			
148	Iron or Steel Sheets—							
	(*a*) fabricated—							
	(*ii*) all other sorts	Tons ..	5	32	300	Rs. 32/8 „	10	
		Rs. (000) ..	3	14	48			
	(*b*) not fabricated—							
	(*ii*) all sorts, not otherwise specified ..	Tons ..	11,973	14,877	14,332	Rs. 30 „	4,30	
		Rs. (000) ..	17,13	19,06	20,04			
148A	Iron or Steel Sheets—							
	(*a*) not fabricated, galvanised—							
	(*i*) if made from Indian sheet bar ..	Tons ..	..	..	18,651	Rs. 53 „	9,89	
		Rs. (000) ..	..	..	39,77			

	(ii) if made from sheet bar other than Indian sheet bar.	Tons ..	..	..	32,233	Rs. 30	,,	9,67	
		Rs. (000) ..	—	—	60,51				
150	Iron or Steel—Railway Track Material—								
	(A) Rails—								
	(b) under 30 lbs. per yard and fish plates.	Tons ..	124	76	209	Rs. 13/12	,,	3	
		Rs. (000)	17	10	26				
	(B) Switches—								
	(ii) for rails under 30 lbs. per yard ..	Tons ..	..	29	..	Rs. 15	,,	—	
		Rs. (000) ..	..	13	..				
	(D) Spikes and tie bars	Tons ..	11	2	2	Rs. 13/12	,,	..	
		Rs. (000) ..	2	..	1				
151	Steel, angle and tee—								
	(a) fabricated	Tons ..	490	70	145	Rs. 18/12	,,	3	
		Rs. (000) ..	1,06	21	29				
	(b) not fabricated	Tons ..	13,554	8,372	8,776	Rs. 13/12	,,	1,21	
		Rs. (000) ..	16,63	10,01	10,42				
152	Steel, bar and rod	Tons ..	8,563	7,625	10,060	Rs. 13/12	,,	1,38	
		Rs. (000) ..	10,86	9,41	12,12				
153	Steel structures	Tons ..	7,567	3,203	5,740	Rs. 18/12	,,	1,08	
		Rs. (000) ..	17,58	7,86	10,84				
	Total of iron & steel ..	Tons ..	47,078	38,620	97,275		..	29,00	
		Rs. (000) ..	70,49	52,81	1,64,38				
	Cotton Piecegoods.								
	(a) Plain Grey	Yds. ..	28,908	32,065	27,084	(a)		5,55	(a) 2⅜ *as* per lb. for June to Dec. 1933 and ⅞ *a* for other months.
		Rs. (000) ..	41,35	44,75	36,03				
	(b) Others	Yds. ..	3,48,089	5,54,341	3,87,668	(b)		3,02,07	(b) 50% *ad. val.* for June to December 1933 and 25% for other months.
		Rs. (000) ..	7,41,56	11,45,62	8,22,02				
	Total of cotton piece-goods ..	Yds. (000) ..	376,997	586,406	414,752		..		
		Rs. (000) ..	7,82,91	11,90,37	8,58,05			3,07,62	
	Total of iron and steel and cotton goods	Rs. (000) ..	8,53,40	12,43,18	10,22,43		..	3,36,62	
	GRAND TOTAL ..	Rs. (000) ..	20,60,94	25,12,38	24,52,16		..	5,51,17	

APPENDIX V.

IMPORTS INTO INDIA FROM BRITISH NON-SELF-GOVERNING COLONIES.

Articles.	Unit	Imports during 1931-32.	Imports during 1932-33.	Imports during 1933-34.	Margin of preference.	Advantage on landed cost in India.	Remarks.
(i) Kenya Colony.						R. (000)	
Fruits and vegetables all sorts, fresh, dried, salted or preserved	Rs. (000) ..	1 30	1,58	45	10%	5	
Ivory, unmanufactured	Lbs. (000) ..	20	16	52			
	Rs. (000) ..	1,22	1,04	2,58	10%	26	
Sodium carbonate	Cwts. (000) ..	67	79	83			
(soda ash and crystals)	Rs. (000) ..	3,83	4,41	4,62	10%	46	
Apparel including hats, etc., second-hand clothing, drapery and uniforms, etc.	Rs. (000) ..	13	9	8	10%	1	
Unground spices—cloves	Cwts. (000) ..	1	..	..			
	Rs. (000) ..	84	..	1	7½%	..	
Tea	Lbs. (000) ..	28	..	..			
	Rs. (000) ..	26	..	..	1 anna per lb.	..	
Total	Rs. (000) ..	7,58	7,12	7,74	..	78	
(ii) The Mandated Territory of Tanganyika.							
Ivory, unmanufactured	Lbs. (000) ..	4	7	2			
	Rs. (000) ..	16	52	11	10%	1	
Unground spices—cloves	Cwts. (000) ..	..	..	..			
	Rs. (000) ..	..	7	..	7½%	..	
Total	Rs. (000) ..	16	59	11	..	1	
(iii) Zanzibar and Pemba.							
Ivory, unmanufactured	Lbs. (000) ..	10	16	24			
	Rs. (000) ..	50	78	110	10%	11	
Unground spices—cloves	Cwts. (000) ..	66	81	70			
	Rs. (000) ..	39,70	33,81	33,60	7½%	2,52	
Unground spices—Pepper	Cwts. (000) ..	..	..	..			
	Rs. (000) ..	5	2	3	7½%	..	
Total	Rs. (000) ..	40,25	34,61	34,73	..	2,63	

(iv) *Ceylon.*

Fish, unsalted, dry	Cwt. (000)	1	1	1	10%	1
	Rs. (000)	17	12	6		
Fruits and vegetables, all sorts, fresh, dried, salted or preserved	Rs. (000)	2,32	3,75	1,71	10%	17
Gums—Benjamin	Cwt. (000)	..	..	..	10%	..
	Rs. (000)	..	11	..		
Oilseeds, non-essential, all sorts	Tons (000)	3	13	22	10%	3,00
	Rs. (000)	3,90	23,47	30,04		
Apparel including hats, *etc.*, *second-hand clothing*, *drapery* and uniforms, etc.	Rs. (000)	52	24	14	10%	1
Chemicals, drugs and medicines, not otherwise specified	Rs. (000)	23	20	18	10%	2
Coir, unmanufactured	Tons (000)	1	1	1	10%	5
	Rs. (000)	57	56	50		
Coir yarn and coir mats and mattings	Tons (000)	..	..	..	10%	1
	Rs. (000)	8	6	7		
Unground spices—						
Cardamoms	Cwt. (000)	..	..	..	7½%	..
	Rs. (000)	10	18	4		
Cloves	Cwt. (000)	..	..	..	7½%	..
	Rs. (000)	12	16	5		
Nutmegs	Cwt. (000)	..	..	..	7½%	1
	Rs. (000)	8	4	8		
Pepper	Cwt. (000)	..	..	..	7½%	1
	Rs. (000)	24	2	8		
Chillies	Cwt. (000)	1	..	..	7½%	..
	Rs. (000)	10	4	4		
Tea	Lbs. (000)	2,729	1,986	878	1 anna per lb.	55
	Rs. (000)	18,09	11,83	5,25		
Coconut oil	Gals. (000)	3,298	6,619	4,528	10%	4,30
	Rs. (000)	42,28	79,29	42,99		
Asphalt	Tons (000)	..	..	..	10%	..
	Rs. (000)	3	..	4		
Betelnuts	Cwt. (000)	98	100	87	7½%	1,11
	Rs. (000)	20,68	17,35	14,77		
Total	Rs. (000)	89,71	1,37,42	96,02	..	9,25

APPENDIX V—*contd.*

IMPORTS INTO INDIA FROM NON-SELF-GOVERNING COLONIES—*contd.*

Articles.		Imports during 1931-32.	Imports during 1932-33.	Imports during 1933-34.	Margin of preference.	Advantage on landed cost in India.	Remarks.
(v) *Federated Malay States.*							
						R. (000).	
Gums—dammer	Cwt. (000)	1	3	1			
	Rs. (000)	10	20	9	10%	1	
Coconut oil	Gals. (000)	..	11	1			
	Rs. (000)	..	13	1	10%	..	
Non-essential oils—others	Gals. (000)	3	11	17			
	Rs. (000)	3	9	14	10%	1	
Total	Rs. (000)	13	42	24		2	
(vi) *Seychelles.*							
Oilseeds, non-essential, all sorts	Tons. (000)	1	3	1			
	Rs. (000)	2,18	5,87	2,05	10%	20	
Total	Rs. (000)	2,18	5,87	2,05		20	
GRAND TOTAL	Rs. (000)	1,40,01	1,86,03	1,40,89		12,89	

APPENDIX VI.

Position of non-self-governing Colonies in the import trade of British India in each commodity liable to preferential duty.

Position of non-self-governing Colonies in the import trade

	Total Imports.						
		Quantity.			Value Rs. (000).		
		1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
CLASS I.—*Preference at a rate of 10% ad val.*							
1. Asphalt	*Tons.*	27,580	38,436	35,774	21,23	27,05	22,07
2. Bees wax		Separate figures not available.					
3. Soda Ash including Calcined, natural soda and manufactured Sesquicarbonates	*Cwt. (000)*	1,016	1,103	1,131	61,76	64,76	63,96
4. Gum, Arabic—	*Cwts.*	4,504	4,415	2,619	109	104	60
5. Gum, Benjamin, ras and cowrie—	*Cwt.*	18,241	20,546	20,963	912·6	999·5	905
6. Gum Dammer—	*Cwt. (000)*	34·8	51·9	52·7	2,69	3,78	3,80
7. Dammer batu, unrefined		Separate figures not available.					
8. Rosin	*Cwt. (000)*	33·8	15·7	34·5	2,73·9	1,59·2	3,28·2
9. Cutch / 10. Gambier, all sorts	Cwt. (000) / *Cwt. (000)*	*36·4*	*38·0*	*32·1*	6,89	6,83	4,73
11. Citronella oil / 12. Cinnamon oil / 13. Cinnamon leaf oil		Separate figures not available.					
14. Coconuts—	*No. (000)*	11,691	17,385	13,692	6,28	8,81	6,58
15. Copra or coconut kernel—	*Tons*	2,222	16,208	29,160	4,75	30,60	41,29
16. Coconut Oil—	*Gals. (000)*	3,331	7,803	6,021	42,81	93,21	57,35
17. Coir	*Tons (000)*	0·7	0·8	0·9	69	70	70
18. Fish dry unsalted—	*Cwt.*	7,672	3,784	3,961	97·3	49·1	55·6
19. Fish, dry salted—	*Cwt.*	63,590	56,643	41,039	9,82	10,47	9,91
20. Fish, canned—	*Cwt.*	19,807	23,873	26,593	7,23·2	8,75·0	8,51·1
21. Fresh vegetables—	*Value*	..	..	..	11,06·5	13,51·8	13,07·5
22. Fruits and vegetables, dried, salted or preserved—	*Tons*	*70,601*	*60,629*	*57,279*	*10,783·9*	8,439·0	71,87·8
23. Canned or bottled fruits—	*Cwts.*	22,648	26,532	37,742	6,90·2	7,82·6	9,96·5
24. Fruit juices / 25. Sisal and aloe fibres / 26. Ivory, unmanufactured		Separate figures not available.					
27. Oilseeds (other than essential	*Tons.*	4,897	16,490	29,262	752·8	3,104·5	4,160·5
28. Vegetable oils (other than essential and coconut)	*Gals. (000).*	303	349	362	6,84	6,95	6,57
29. Plumbag	*Tons (000)*	4·0	2·7	4·0	190	141	179
30. Sago and tapioca (but not sago flour) / 31. Vanilla beans		Separate figures not available.					
32. Fresh fruits other than coconuts		..	..	..	929·2	985·1	859·9

VI.

of British India in each commodity liable to preferential duty.

Share of non-self-governing colonies.						Percentage share.					
Quantity.			Value Rs. (000).			Quantity.			Value.		
1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
775	130	141	69	12	9	3	..	..	3	..	..
67	79	83	3,83	4,41	4,62	7	7	7	6	7	7
79	..	292	2	..	6	2	..	11	2	..	10
17,788	19,559	20,296	891·2	960·6	886	98	95	97	98	96	98
34·2	51·6	49·8	2,55	3,73	3,44	93	99	94	95	99	91
19·9	0·73	0·2	1,24·4	6·3	2·7	59	5	1	45	4	1
36·4	37·8	32·1	6,88	6,78	4,71	100	99	100	100	9	100
11,688	17,384	13,691	6,28	8,81	6,58	100	100	100	100	100	100
2,071	15,381	22,949	4,52	29,16	40,46	93	95	76	95	95	98
3,308	7,677	6,021	42,43	91,70	57,35	99	98	100	99	98	100
0·7	0·8	0·9	68	69	70	100	100	100	99	99	100
2,217	1,626	1,523	51·4	36·0	33·6	29	43	38	53	73	60
30,426	35,335	40,081	7,59	8,71	9,82	48	62	98	77	83	99
1,533	801	782	43·5	28·6	26·6	8	3	3	6	3	3
..	..	..	96·8	125·3	47·1	..	..	..	9	9	4
1,469	2,072	1,381	334·6	395·7	2,98·1	2	3	2	3	5	4
11,410	13,067	17,934	1,81·8	1,69·1	1,99·5	50	49	47	26	22	20
3,563	15,494	22,923	627·5	2,936·3	3,211·4	73	94	78	83	95	77
17	76	71	28	77	67	6	22	20	4	11	10
..	..	..	..	..	..	..	..	..	..	..	..
..	..	..	160·6	183·5	141·6	..	..	..	17	19	16

Position of non-self-governing colonies in the import trade

		Total Imports.					
		Quantity.			Value Rs. (000).		
		1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
Class II—Preference at a rate of 7½ ad val.							
33. Betelnuts	*Cwt. (000)*	1,101·0	1,117·3	1,194·4	1,44,75·0	1,18,93·1	1,04,58·8
34. Spices unground (excluding betelnuts)*	*Cwt. (000)*	169	155	171	63,47	53,57	51,08
Class III—Preferences at specific rates.							
35. Bitters					Separate figures not available.		
36. Coffee	*Cwt.*	4,793	1,425	..	227·0	110·3	..
37. Rum	*Gals. (000)*	22·4	2·1	1·7	68·8	16·5	16·5
38. Tea	*lbs. (000)*	6,969	5,769	4,716	43,57	34,63	25,13
39. Tobacco unmanufactured ..	*lbs. (000)*	2,845	5,116	4,187	29,83	62,27	47,27

* Figures represent those for total spices (except spices which are mostly, if not wholly, unground).

VI—*contd.*

of British India in each commodity liable to preferential duty—contd.

Share of the non-self-governing colonies.						Percentage share.					
Quantity.			Value Rs. (000).			Quantity.			Value.		
1931-32	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.	1931-32.	1932-33.	1933-34.
1,086·6	1,095·2	11,64·8	1,43,04·9	1,16,88·8	1,02,27·4	99	98	98	99	98	97
105	100	113	54,45	45,93	42,51	62	65	60	86	86	63
524	6	..	20·6	0·8	..	11	·5	..	9	·7	..
..	..	..	..	..	0·04	..	..	..	..	..	0·2
1,916	2,096	927	1,939	1,255	558	42	36	20	45	36	22
3·7	..	3·0	4·2	..	7·0	0·1	..	0·1	0·2	..	0·2

APPENDIX VII.

SUMMARY OF TRADE ENJOYING PREFERENCE.

(a) Exports of articles from India which receive preferences in the United Kingdom and British Coloniires.

[Values in lakhs of rupees.]

Exports from India.	1931-32.	1932–33.	Change Col. 3–Col. 2.	1933-34.	Change Col. 5–Col. 3.	Remarks.
(1)	2)	(3)	(4)	(5)	(6)	(7)
To United Kingdom of articles enjoying preferences in United Kingdom.	32,97	29,73	—3,24	36,16	+6,43	
To British Colonies of articles enjoying preferences in the Colonies*.	1,26	1,12	—14	1,15	+3	
To other countries	88,29	73,21	—15,08	71,92	—1,29	
Total (all countries) ..	122,52	104,06	—18,46	109,23	+5,17	

NOTE.—Exports of coir manufactures, spices, castor seed and groundnuts from the Indian States enjoying preferences have been taken into account so far as statistics are available.

*This head includes only that portion of the trade with the Colonies on which India actually receives preferences, the rest of the trade being shown under "Other Countries". For example, in regard to cotton piecegoods India enjoys no preference in Ceylon, while some other British Colonies grant preference to India. The exports from British India to Ceylon of cotton manufactures have therefore been credited to "Other Countries".

(b) Imports of articles into India which are subject to preferential duties.

[Values in lakhs of rupees.]

Imports into India.	1931-32.	1932-33.	Change Col. 3—Col. 2.	1933-34.	Change Col. 5—Col. 3.
(1)	(2)	(3)	(4)	(5)	(6)
From United Kingdom of articles enjoying preferences in India (excepting those liable to differential duties)*.	12,08	12,69	+61	14,30	+1,61
From British Colonies of articles enjoying preferences in India† ..	1,40	1,86	+46	1,41	—45
From other countries	21,72	24,08	+2,36	21,19	—2,89
Total (all countries)	35,20	38,63	+3,43	36,90	—1,73

*Exclusive of preferential items of iron and steel and machinery and millwork for which no statistics are available but inclusive of certain non-preferential items under chemicals and instruments which cannot be readily separated.

†Excludes imports from the Straits Settlements and Hongkong which represent mostly entrepôt trade.

APPENDIX VIII.

REPRESENTATION FROM MR. ANANT SHIVAJI DESAI AND OTHERS, DATED THE 14TH OCTOBER 1932, TO THE HON'BLE SIR JOSEPH BHORE, K.C.I.E., C.B.E., COMMERCE MEMBER OF THE GOVERNMENT OF INDIA, 1, QUEEN VICTORIA ROAD, NEW DELHI.

We, the undersigned, representing the Indian-owned Aluminium factories of India, beg to submit the following in connection with the proposed inclusion of Aluminium in the list of articles chosen on behalf of India for Imperial Preference :—

(1) Our worst fears about the repurcussions of the Imperial Preference Scheme of Ottawa are now on the point of realisation. Unless the Government of India realises the impending catastrophe by deleting Aluminium from the preference list, the whole affair would be " Fait Accompli ", certain to be followed by the doom of the Indian-owned Aluminium factories, which are still surviving in spite of the most ruthless competition from foreign Interests. The results are bound to be far-reaching. To a long list of Indian Industries that have gone under, for want of an active national fiscal policy, will be added *The Aluminium and Utensils industry* involving ruin and loss of many Lakhs of invested Capital. *The Collapse of Indian-owned Concerns* will follow the line of items that have come in for preference, particularly the industries based on the manufacture of utensils, etc., from Aluminium, Copper, Brass and German-silver. *The case of the Aluminium industry is particularly hard and potent with immediate danger to the very few Indian-owned factories which have managed to escape the clutches of Foreign Interests that are aiming at a THOROUGH AND AGGRESSIVE MONOPOLY IN INDIA.* It is beyond our comprehension to understand why Empire Preference should be granted in regard to raw materials, to those very Interests which are already practically controlling the utensils market in India, by having their own factories for manufacture of utensils ? Does it not amount to distraint of trade and the boon of a free monopoly at the cost of the Indian consumers and the practical extinction of the Indian Manufacturers, who have to depend for their very raw materials, on their Manufacturing Competitors ? When it is the turn of the Aluminium Industry to-day, it may be the fate of the Brass, Copper and others as well, to-morrow. What guarantee is there that the suppliers of Empire raw metals, comfrtably ldged within preferential treatment, may not open factories for the manufacture of Brass, Copper and other utensils also and crush out the Indian-owned factories ? There cannot and must not be preference in regard to these raw metals. Preference cannot be given to Producers of Empire raw materials having their own utensil factories in India. Imperial Preference would undoubtedly place Indian-owned concerns in a state of utter helplessness at the mercy of foreign interests and fair competition would cease to exist. In the words of Romesh Chunder Dutt : " I do not pin my faith to Free Trade, and I do not pin my faith to protection ; I hold that the policy most conducive to the prosperity and happiness of the people of India is the policy which should be adopted for India." The policy of " Free Trade " for all in India has resulted in the dwindling down of a truly Indian Aluminium Industry extending to about 85 per cent. to a bare 15 per cent. and now " protection " and Imperial preference threaten to sweep away whatever is left for " the people of India ". Preference here would be tantamount to the proverbial dwarf's friendship for the giant with woeful results to the

Indian dwarf. An *Indian-owned* industry which successfully stood the test of more than 35 years, stands in danger of immediate extinction, all ostensibly in the interests of India, all through doses of Free Trade and now Preference and Protection.

The History of Aluminium Manufacture in India.

(2) It is important to understand that the metal Aluminium is not produced in India. It is imported as raw material in the shape of "Circles" and "Sheets" from Canada, America, England, Switzerland, France and Germany. Therefore the Indian trade had necessarily to be confined to the manufacture of utensils out of raw material imported from the above countries. With the advent of Aluminium many factories began to be opened in Important centres of trade in India.

Almost the entire manufacturing trade in Aluminium was till a few years ago, mostly in the hands of Indians, with a small proportion of not more than 15 per cent. under foreign control. During the last 2 or 3 years the whole position had been altered and the bulk of the Indian Trade is now under the complete control direct or indirect of Foreign Interests.

Aluminium Industry Gradually Squeezed out of Indian Hands.

(3) Aluminium is produced in England, Canada, America, France, Germany, Norway, Switzerland, etc. All the above producing countries are interested in the sale of their raw Aluminium in India. In fact they are still supplying their Aluminium to India. But the French, Swiss and the German producers of Metal have not opened any utensil Factories in India unlike the British and the Canadian Interests. The Continental producers (the Swiss, the German and the French) still remain up till now satisfied with their sales of raw metal only in India. On the other hand the British and the Canadian Metal Producers are owners of most of the factories of utensils in India. And herein lies the great tragedy of Aluminium Trade in India. The British and Empire Producers and suppliers of metal have also constituted themselves as the powerful competitors of the Indian Factories. And now preference would place at their mercy the whole body of Indian manufacturers as well as the consumers bound hand and feet.

In the beginning the European Suppliers of metal did not fare well against Canadian aggression in their individual efforts. So they soon formed an Aluminium Convention for India. This European Convention (or Cartel) consisted of Metal manufacturers in England, France, Switzerland and Germany. The European Cartel appointed the British representative in India as their sole representative for this country. So the British Company, here, controls the supply of not only British metal but also the Swiss, German and French metal. So, soon after the formation of the abovesaid European Cartel, a few of the Indian Factories that survived the competition of the foreign factories in India directly came under the control of the British who are themselves factory owners in India. This irony of the Indian factories being directly or indirectly controlled by their competitors still continues.

The Canadian interests immediately realised that the European Producers had joined hands together to offer a united fight to them. Therefore they lost no time in meeting this. They set themselves quickly to the task of absorbing or otherwise closely allying with themselves as many Indian factories as possible.

From Suppliers of Raw Material to Manufacturers.

(4) The British also decided to go ahead with their plans of increasing manufacture of Utensils. It was clearly understood all along that this foreign competition will be confined only to the sale of metal, the manufacture of utensils remaining largely in the hands of indigenous manufacturers who had largely built up their factories in Bombay, Calcutta, Madras, Rangoon, Amritsar, Gujranwala, Benares, etc. In spite of this understanding arrived at and followed for a long period of time, the British Aluminium Co. began to increase their manufacturing plants in India. They bought one utensil factory in Bombay. They had already a factory in Calcutta. And under their direct inspiration and support a new British Factory has been erected in Rangoon, though Burmah offers too narrow a market for the existing two factories, at present. Thus, when the British Aluminium Co., and the Canadian Interests [which are practically identical with American Interests and which are working in India under denomination Jeewanlal (1929), Ltd.], entered into the field of manufacture of utensils, the trade began to slip imperceptibly from the hands of the Indian Manufacturers.

(5) Recently, however, the Canadian Interests (who have numerous utensil Factories along with the British Factories in India) have joined the European Cartel and as a consequence thereof, the British Interests in India dissolved their differences with the Canadian Interests and promulgated a new policy of mutual co-operation, leaving the Indian Factories in the lurch.

Foreign Competitors' hold on Raw Material.

(6) So long as the British Aluminium Co. had no extensive interests in India in the utensil trade, there was no serious objection to them and in fact the European group of suppliers, was preferred by Indians against the other group, because the latter (Canadian) had factories in India even before the formation of the Cartel in Europe. The objection that the Indian Factories had to the Canadian Group now exists also in the case of the British Aluminium Co., who own their own utensil Factories and whose main interest now is in the utensil trade rather than the raw metal. In fact Indian factories as buyers of metal and sellers of utensils are now in competition with foreign producers of raw metal, who are attempting for a rigid monopoly of the utensil manufacturing trade as well. The British and Canadian producers' absorbing interest is now in utensils and no encouragement can be expected by the Indian-owned factories as buyers of metal. And therefore the purchase of raw metal by Indian Factories has, of late, become a very difficult and sometimes tormenting problem. The matter has gradually come to such a pass that some Indian Factories are not even allowed unrestricted supply of raw metal. It is notorious how supplies of raw material, etc., are cut off practically from a Bengali factory by Foreign Interests in Calcutta. Besides the dealers of Calcutta are pressed by the latter not to keep any business relations with the above Indian Factory under disguised threats. A Bengali Factory owner cannot continue his usual manufacturing business in Bengal! Attempts are also made to stop all supplies of metal from Bombay to the above Indian concern by the interested foreign Factory owners.

Unfair Price War.

(7) Now have they also begun to sell their utensils at disastrously low rates in relation to the cost of Metal. The prices of utensils are lowered while maintaining raw metal at a higher level resulting in a fearful discrepancy of price between raw metal and utensil. This manipulation of utensil rates is done at

the sweet will of the foreign Makers without the least reference to the Indian factory owners and in some cases in spite of the warnings and protests of these owners. *The actual sale proceeds of certain important items of utensils are practically the same as that of the price of raw metal charged from the Indian factories,* which fact does not leave any margin for manufacturing cost. As a natural result of this rate-war, the Indian Factories have found it impossible to work at the rates fixed by others. These foreign Factories (the British and the Canadian) backed by vast resources of their Home Offices are deliberately pursuing a similar policy with a view to scare away a few surviving Indian factories and driving them out of trade permanently, although for the present they are likely to be losing very heavily. They are inclined to do this in anticipation of the monopoly of the Indian Aluminium trade in utensils. The Indian-owned Factories have also to meet every now and then with fresh difficulties in the matter of purchase of raw metal from their Competitor-Suppliers. And to crown all now comes the danger of Imperial Preference for British and Canadian Aluminium.

Danger of Monopoly by Imperial Preference.

(8) The new aspect is most menacing. Aluminium is one of the items selected for Empire Preference by the Indian Delegates at Ottawa, along with other metals. In the case of Aluminium, the parties selected for grant of preference have their own factories in India in competition with Indian Factories, whereas in the case of copper, brass, etc., the danger of foreign investments direct from producers of metal in the shape of new factories for Aluminium is likely as a result of Imperial Preference. But in the case of Aluminium the danger of foreign impact is already there. So the ruin of the Indian owned Aluminium utensils industry is a foregone conclusion, if the non-Empire sources are unable to sell their metal to India on account of the imposition of Imperial Preference. Both the British and the Canadian groups owning many factories of utensils in India are in a position to import their raw Aluminium from Empire sources. The British Aluminium Co. have their manufacturing plants in England and the American interests have great producing plants in Canada in addition to those in U. S. A. Hence Imperial Preference is sought to be given to those very foreign concerns who are already practically masters of the Indian Market in utensils against Indian factories. It will without doubt sound the death-knell of the Indian factories because the sources of supply of raw metal will be narrowed and restricted. The few Indian factories will be compelled to rely upon their own competitors for their supply of metal. This is sheer injustice to the Indian Factories and this injustice will be perpetuated if the Government of India does not recognise the evil effects of the unfair preference and undue advantage sought to be given to the British and Canadian Interests. Immediately this preference becomes law of the land the Indian factories of Aluminium utensils will have to close their business and go to the scrapheap with disastrous consequences to capital investment in lakhs.

Unrestricted open supply of raw metal wanted.

(8) The deliverance of the Independent Indian-owned Aluminium Trade lies in free supply of metal to all Factories working in India on equal terms. And this preference for the British and the Canadian Aluminium cannot maintain equality of advantage for all as it is bound to improve the position of the utensil factories of the British and Canadian Interests in India. Possibly the Cartel in Europe may be affected as a result of Imperial Preference. Nevertheless the Indian factories will be faced with the menace of undue preference for their British and Canadian competitors.

It has been reported that some countries outside the foreign cartel have recently begun to produce Aluminium and if this preference for the British and Canadian Aluminium is refused by the Government the Indian factories which are still struggling to exist might try to live by drawing upon their supply of raw metal from other sources suitable to themselves. Otherwise the confusion will be worse confounded.

(9) It is for the Government to keep a vigilant watch and turn down proposals for preference on items like Aluminium and also brass, copper, German-silver, etc., which are sure to react disastrously on Indian Industries and Trade. Now that the principle of protection to Industries is fully accepted by the Government of India the words uttered by the Hon'ble Mr. G. K. Gokhale in the Imperial Legislative Council, many years ago were almost prophetic. He observed "*The Right kind of Protection* is that under which the growing industries of a country receive the necessary stimulus and encouragement and support that they require, but under which care is taken that *no influential combinations, prejudicial to the interest of the community come into existence.*" This very danger has materialised. It is much worse than what has happened in the sad Chapter of the death of many indigenous industries.

In conclusion, we appeal to you, Respected Sir, to exclude Aluminium and other raw metals connected with the utensils industry from the preference list and avert the disaster hovering over the heads of Indian-owned Factories and the several lakhs of Indian capital for which act of justice we shall ever remain grateful.

APPENDIX IX.

LETTER FROM JAMNADAS BROS., CALCUTTA, DATED THE 18TH FEBRUARY 1933.

We, the undersigned, being the only surviving Indian Owned Aluminium Utensils Manufacturers in Bengal, beg to lay before you the following representation against the retention of the Imperial Preference, in respect of duties on Aluminium circles, sheets, etc., and hope you will be pleased to look into this matter and remedy the great injustice which has been and is being done, on account of this Tariff Policy. The only Manufacturers of Aluminium utensils in Bengal are the following firms and companies :—

(1) Jeewanlal (1929), Ltd., "*Crown Brand*".

(2) The Aluminium Manufacturing Company Limited, "*Gold Mohur Brand*".

(3) Lattoo Aluminium Works, "*Lattoo Brand*".

(4) Jamnadas Bros. (Lately carrying on the business under the name and style of Govardhandas Maneklal), "*Pratap Brand*".

These were the firms which were the manufacturers of Aluminium utensils in Bengal at the time when the Imperial Preference was decided upon. Since then the Lattoo Aluminium Works has ceased to exist on account of the Imperial Preference and the conditions mentioned hereafter and the only Indian Manufacturer which is at present existing in Bengal is the concern of Jamnadas Bros. which also has to suffer very heavily on account of the Imperial Preference and the facts which are stated below. This is the condition not only of the Indian Firms working in Bengal, but of all the Indian Concerns which are working elsewhere in India and if no relief be given immediately the Indian Manufacturers of Aluminium Utensils will be extinct from India and only the foreign manufacturers will be in control of the entire Aluminium business in this country which is admittedly a thing which cannot be considered to be desirable in the interests of the Indians themselves and the Indian Government.

The Aluminium Manufacturing Company, Limited, is a concern in which all the shareholders are non-Indians as will appear from the Return filed by the said Company with the Registrar of the Joint Stock Companies in January 1932. From the said return it appears that the paid up Share Capital of the Company is Rs. 6 lakhs divided into 6,000 shares of Rs. 100 each and the shareholders are as follows :—

	Shares.
1. Allen Bros. Co. (India), Ltd.	583
2. British India Corporation, Ltd.	334
3. Charles Turner Allen	83
4. Hugh Carey Morgan	1,510
5. Robert Thorburn	1,990
6. Thomas Walker	1,500
Total ..	6,000

Jeewanlal (1929) Ltd., is also a concern, which though Indian in name is *absolutely foreign as will appear from the list of the shareholders according to the* return filed by the Company on the 4th November 1932, with the Registrar of the Joint Stock Companies. From the said return it appears that the Aluminium *Limited of Canada are the holders of 3,59,990 shares of Rs. 10 each and that* Mr. Lawsan Green Bash of Geneva, Switzerland, is the holder of 10 shares. The Capital of the Company is Rs. 36 Lacs. It is evident from what is stated above *that the said Jeewanlal (1929) Ltd., is a non-Indian concern and the name is a* misnomer, because it conveys impression on the public that the company is an Indian Company.

These two firms—*the constitution* of which has been mentioned above—are the largest Aluminium utensils manufacturers in India, having their factories at Calcutta, Bombay, Rangoon, Madras and etc., and at the same time unfortunately they are the monopoly *suppliers of raw materials of Britain, France, Switzerland,* Germany, and America. The Indian manufacturers of utensils had therefore to manufacture utensils out of raw materials imported from these countries. Almost *the entire manufacturing trade in aluminium was, until a few years ago, mostly* in the hands of the Indians, with a small proportion of not more than 15 per cent. under foreign control, who used to get their supply of raw materials from Europe. During the last two or three years the position has been changed and the bulk of the Indian Trade is now under the complete control direct or indirect of the foreign interests.

With the *Imperial Preference*, whatever *remained of the* Indian Trade, is bound to go, and the whole of the Aluminium trade will be solely in the hands of the aforesaid two companies as monopolists, which is neither in the interests of the Indian manufacturers, nor in the interests of the Indian consumers. As the American aggression do not fare well against the European suppliers of raw materials, the European-suppliers of metal, in order to protect themselves against American competition, formed themselves into a convention called Cartel, which consisted of the metal manufacturers of England, France, Switzerland, and Germany, and this Cartel appointed the British Representative Mr. R. Thorburn in India, as their sole representative for this country.

The aforesaid two companies, *i.e.*, the Aluminium Manufacturing Company Limited, and Jeewanlal (1922) Ltd., practically control the supply of the raw material from Britain, Switzerland, Germany, France, Canada and America, and the Indian manufacturers depend on them for their supply of raw materials. The whole scheme of these foreign concerns is to wipe out the existence of the Indian Manufacturers, and to create a monopoly for themselves and then to dictate its prices. The consumption of Aluminium utensils in Bengal is a good one, and these two firms desire that they should be left alone in the field and there should not be any one competitor whatsoever. For that purpose they have created obstacles in the way of Indian Manufacturers, from proceeding with their business. The only manufacturing concern (Indian), that now survives in Bengal, is Jamnadas Bros. and the above two big concerns tried to induce this firm even to cease manufacturing *utensils and only to remain* as dealer and when it refused to do so, these firms have tried to induce dealers to boycott this concern and thus to ruin it. These firms have manipulated to have a dealers' Association started and they have threatened the dealers who deal with the said Jamnadas Bros., that these firms would not deal with them who will purchase articles from the said Jamnadas Bros. Copies of the notices are annexed hereto and marked with the letters A. and B. Even the supply of raw materials was cut off from Bombay, and all efforts are made in order to wipe out of existence the concerns, which

are remaining even now, as Indian concerns. The aforesaid two big concerns have lowered their prices of utensils, while maintaining the raw materials at a high level, resulting in a fearful discrepancy, in prices between raw materials and utensils. In spite of these difficulties the Indian manufacturers were anyhow pulling on, when the new blow in the shape of Ottawa Preference came into operation. As soon as it became known that Imperial Preference was to be given in the case of Aluminium, protests were raised by the Indian Manufacturers. The Government, we understand, directed to have a discussion about this matter through the Director of Industries, Bengal. The Director of Industries called the representatives of the above manufacturers and there was a discussion in the matter on the 8th November 1932. We pointed out difficulties to the Director of Industries, and laid our grievances before him, but he was led away by what was stated by the above two big concerns without investigating into the whole matter with facts and figures and to make a searching enquiry into the truth of the allegations made by the parties concerned, and relied upon what was stated by the representatives of the above two concerns. If an independent enquiry be made into the matter it will be proved to demonstration as to what pitiable condition the Indian manufacturers have been reduced on account of the unfair competition, and the tactics of the above two firms and the Imperial Preference is sure to sound the death-knell of all Indian Manufacturers of Aluminium utensils in this country. We dispute the correctness of what was stated by the representatives of the above two concerns before the Director of Industries. Mr. Langham of the Aluminium Manufacturing Co. Ltd., and Mr. Pathak of Messrs. Jeewanlal (1929), Ltd., stated that the bulk of their shares are held by the foreigners but from what is stated above, it will appear that all their shares are held by the foreigners. They denied that they were undercutting prices but it will be proved that they were doing so. The rate at which they supplied raw materials was 15 annas per lb. which amounts to about Re. 1-15-0 per seer and the utensils whose consumption is about 80 per cent. of the total consumption are sold at the rate of Rs. 2-3-0 per seer and Rs. 2-4-0, and even on these prices they are giving commission at the rate of Rs. 8-9-0 per cent., besides that labour, transit, establishment, etc. It is impossible for any manufacturer to sell the utensils at such a price unless they get some advantage in raw materials. Mr. Bash and Mr. Thorburn who represented the suppliers are themselves the shareholders and directors of the aforesaid companies and they are interested in these concerns, which will be taken into consideration.

We used to get our supplies of raw materials formerly from Bombay and now from Japan but on account of this Imperial preference the rates at which we can get the supply, are not that we can go on with our manufacturing concerns inasmuch as these two firms obtain the advantage besides the advantage mentioned above and advantage of 10 per cent. duty.

In conclusion we have to draw the attention of the Government to the aforesaid facts and we fully hope that the Government will look into the interests of the Indian concerns and advise remedies in order to remove the grievances aforesaid. The Government is bound to look after the welfare of the Indian People and it stands to reason that the Indians should not be allowed to be crushed. As the Government is the custodian of the interests of the Indian People, it should protect us from such foreign aggression.

Under the above-mentioned facts and circumstances we request you, the Government, and all the members of the Ottawa Select Committee to redress the great wrong done and delete Aluminium from the preference list and tariff be levied on all imported aluminium without any distinction and to advise us for

taking all possible constitutional steps to prevent the entire destruction of our factories and business.

It will not be out of place to mention here that any preference needed is needed to none else but the Indian-owned manufacturers and factories that are in sore need of protection against the ever increasing encroachment and ruthless *competition of the British and Canadian producers of the metal who* are backed by the powerful resources from home.

A

THE ALUMINIUM MANUFACTURING COMPANY, LIMITED.

9, Clive Street,

Calcutta, 1st February 1932.

To

The Members of the Calcutta Aluminium Dealers' Association.

DEAR SIRS,

Following the meeting which took place between your association and the Manufacturers' Association on the 26th January, we have not had any further *communication from* you in regard to the matters discussed.

In view of this we regret we have no alternative but to notify your Association to the following effect :—

From the 1st February the Manufacturers' Association expects every member of your association to sell wholesale at Manufacturers' List prices.

2. The Manufacturers' Association expects you to fix retail prices which are higher than the present wholesale prices shown on the Manufacturers' Price list and that your members will sell retail at not less than the new retail prices.

3. No member of your association will either buy from or sell to Jamnadas Brothers any aluminium or aluminium articles of any kind.

We shall be glad if you will please arrange to embody these regulations in your articles and notify all your members that if any member is found infringing any or all of these new regulations such member will be penalised.

We shall be glad also if you will please arrange to appoint a committee and a secretary of your association with whom the Manufacturers' Association can deal.

Yours faithfully,

Jeewanlal (1929), Ltd.,

(Sd.) P. PATHAK.

For and on behalf of

THE CALCUTTA MANUFACTURERS' ASSOCIATION,

The Aluminium Manufacturing Co., Ltd.

(Sd.) W. SHAW,

Secretary.

N. C. PAUL.

B

11, Clive Street,

Calcutta, April 7th, 1932.

Only for the members of the

Calcutta Aluminium Ware Dealers' Association.

DEAR SIRS,

The Calcutta Manufacturers' Association has decided that from the 1st April 1932, all the existing discounts are withdrawn and the only discount that will be given universally is 1.9|16 per cent. discount for cash.

With regard to members of the Calcutta Aluminium Ware Dealers' Association, the Manufacturers have agreed to give them an additional discount of 5 per cent. with free delivery to their respective premises.

At the end of the six months commencing from the 1st instant a special 2 per cent. turnover commission will be allowed to any dealer, who has reached a turnover not less than 25,000 during the six months subject to the following conditions :—

1. That they should buy aluminium utensils only from Jeewanlal (1929), Limited, and|or Aluminium Manufacturing Company, Limited, and not from any other concern without the sanction of the Manufacturers' Association, first obtained in writing.
2. They will not sell utensils to any firm or concern the sale to whom is forbidden by the manufacturers for good reasons.
3. They will not after one warning take any action, which in the opinion of the manufacturers is contrary to the interests of the Aluminium trade.

It is expressly understood that the accrued turnover commission of the dealers, who do not carry out the above condition will be forfeited and they will *not remain entitled also to receive the additional aforesaid 5 per cent.* discount, provided for.

If at any time the Manufacturers' Association considers that you have not adhered to the above regulations the Manufacturers' Association has the power to delete your name from the list of the Dealers' Association and withdraw the privileges given to the Association.

The Association feels confident that the special consideration given to you *would encourage you to give better attention to the betterment of the trade.* The size of 1 delivery shall not be less than 5 maunds at a time.

You will notice from the new price list that the reductions have been made in the prices of the main lines, which will, we hope have the effect of enabling you to increase your sales considerably.

Yours faithfully,

Aluminium Manufacturing Co., Ltd.

JEEWANLAL (1929), Ltd., ...

Secretary.

APPENDIX X.

LETTER FROM MR. LALLUBHAI AMICHAND AND OTHERS, DATED THE 2ND DECEMBER 1933.

We beg to draw your kind and special attention to our letter dated 15th December 1932 and our telegram of 14th December to the Hon'ble Commerce Member of the Government of India, protesting against the grant of 10 per cent. Preference to Empire Aluminium Circles, etc. It is a matter of regret, that beyond a bare acknowledgment, no steps were taken by the Government to consider our representations and avert the inevitable collapse of the Indian-owned Aluminium Utensils Industry. Consequently of the six signatories to the abovementioned representations, three have stopped manufacture of Aluminium Utensils altogether, while the undersigned, the remaining three have been compelled to effect drastic reductions in output, and unless we have satisfactory assurance from the Government that an immediate move would be made for the deletion of Aluminium from the Preference list, no alternative would be left us but to cease manufacturing altogether.

2. It was only about five years ago that nearly 85 per cent. of the Aluminium Utensil Manufacturing Industry was purely Indian-owned; but the appearance of the chief producers of the Raw Material as Factory Owners and Manufacturers in India, namely the Canadian (American controlled) and the British and their ruthless competition from a point of vantage, resulted in the gradual dwindling down of Indian interest to a mere 15 per cent. on the eve of the Ottawa concessions. One year of Ottawa Preference has resulted in putting the remnant of the Indian-owned Factories at the mercy of the not very tender manufacturing competitors *for the very supply of the Raw Materials.* It is well-known that through the device of the secret rebates, the Canadian and other Foreign Interests are selling Utensils much below the rates at which they sell their Raw Materials to Indian-owned Factories.

3. The grant of Preference to the Raw Metal produced by the powerful group of Foreign Manufacturers in India has resulted, as pointed out by us already in our representation, in an unbreakable monopoly of the Raw supply for India. The following figures give an almost accurate idea as to how the costs of the manufactured articles are practically kept at rates lower than cost of the Raw Circles offered to us for manufacture :—

Price of Raw Metal.	Price of Utensils
Re. 0-14-0 to 0-14-6 per lb.	Re. 1-0-6 (in the case of Chatties, etc., which form 80% of the manufactures) less 15% in the shape of private rebate and free packing @ Re. 0-0-6 per lb., *i.e.*, the cost of Utensils per lb. works out to Re 0-13-7 per lb.

4. We are thus losers to the extent of the difference in addition to the cost of manufacturing and distribution at the *minimum* average of Re. 0-3-0 per lb. thus bringing about an aggregate loss of Re. 0-3-11 per lb.

5. Further the rapid depreciation of the Dollar has furnished a fresh weapon in the hands of our American (Canadian) competitors. In short, matters are rapidly heading towards a state of affairs, when we, the very few survivors must disappear from the scene altogether. We wish to emphasise here that

ours is merely a case of the instinct of self-preservation and that we are ready to furnish the Government all particulars necessary for consideration of the matter, provided an opportunity were vouchsafed, for the full discussion of the case.

6. In conclusion, we beg that the Government may be pleased to invoke with all possible expedition, the proviso in article 14 of the Ottawa Agreement for consultation with the parties concerned and revocation of the 10 per cent. Preferential Duty on Aluminium Circles and Sheets and thus save us from the ruin staring in the face. We understand that this matter was brought to the notice of the Secretary of State for India last year and that he was pleased to refer it to the Viceroy as a fit case in which the above proviso might be invoked. Herewith, please find enclosed copies of the undermentioned memoranda and correspondence in connection with the subject (not printed).

7. May we once again draw your attention to the extreme urgency of the matter? Upon the immediate steps that Government may be pleased to take will depend the problem of our continuing in this business. If 10 per cent. duty is not immediately abolished the last of the Indian-owned Aluminium Factories will have passed out of existence.

M135CD—600—14-8-34—GIPS